

City Clerk File No. Ord. 16.111

Agenda No. 3.A 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.111

TITLE: ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 3
(ADMINISTRATION OF GOVERNMENT), ARTICLE VI (DEPARTMENT OF
ADMINISTRATION) TO AMEND THE CONTRACTOR PAY TO PLAY
REFORM LAW

COUNCIL offered and moved adoption of the following Ordinance:

A. The following amendments to Chapter 3 (Administration of Government) Article VI (Department of Administration) of the Jersey City Code are adopted:

CHAPTER 3
Administration of Government
ARTICLE VI
Department of Administration

§3-39. Through §3-51. No Change.

§3-51.1. Repealed in its entirety.

§3-51.1. Contractor pay-to-play regulations.

A. Definitions. As used in this ordinance:

- (1) "Campaign Entity" means:
 - (i) every candidate for City of Jersey City elective municipal office;
 - (ii) every candidate committee established by or for the benefit of a candidate for City of Jersey City elective municipal;
 - (iii) every joint candidate committee established in whole or in part by or for the benefit of a candidate for City of Jersey City elective municipal office;
 - (iv) every political party committee of the City of Jersey City;
 - (v) every political party committee of the County of Hudson;
 - (vi) every political committee, continuing political committee, independent expenditure only committee, or other form of association or organization that engages in the support of candidates for the City of Jersey City municipal elective offices, or Jersey City or Hudson county political parties or political party committees; and
 - (vii) every political committee, continuing political committee, independent expenditure only committee, or other form of association or organization that engages in support of a candidate for any office if that candidate currently holds the office of Jersey City Councilperson, or Mayor (2) "Contribution" has the meaning prescribed in N.J.A.C. 19:25-1.7. By way of illustration, and not limitation, this definition includes pledges, loans, and in-kind contributions.

- (3) A "Contract for Professional or Extraordinary Services" means all contracts for "professional services" and "extraordinary unspecifiable services" as such term is used in N.J.S.A. 40A:11-2 and -5, and all contracts for banking, insurance, media, public relations, lobbying, parking garage management or other consulting service and/or management service.
- (4) "Business Entity" means and an individual, firm; corporation, professional corporation, partnership, limited liability company; or any other form of association or organization that is a party to a Contract for Professional or Extraordinary Services with the City of Jersey City Entity, or which has submitted a proposal for, or entered into negotiations for, or agreed to any such contract.

Any contributions or solicitations of contributions made by the following persons associated with a Business Entity shall be imputed to the Business Entity and treated as made by that Business Entity for purposes of applying this Ordinance:

- (i) If the Business Entity is an individual or a sole proprietorship, the person's spouse and child/children;
 - (ii) any person who owns ten percent (10%) or more of the equity or ownership or income interests in the Business Entity and their spouses and child/children;
 - (iii) all partners or officers of the Business Entity and their spouses and child/children;
 - (iv) any person, subcontractor, subsidiary, corporation, firm, partnership, limited liability company, organization or association who has received or infeasibly acquired the right to receive, from the Business Entity, more than one hundred thousand dollars (\$100,000.00) in compensation or income of any kind (including, by way of illustration, and not limitation: wages, salaries, sums paid to independent contractors, benefits, dividends, profit-sharing, pension contributions, deferred contributions, stock, stock options or gifts), in any twelve (12) month period prior to the award of, or during the term of, a contract subject to this ordinance; and
 - (v) a person who would be an "affiliate" of a Business Entity, if that Business Entity were a debtor, as such term is interpreted under 11 U.S.C. 101(2).
- (5) A person "engages in the support of a candidate" within the meaning of Subsection (A)(1) or subparagraph (B)(3)(iii) if in 8 year period such person has:
- (i) made a direct monetary contribution or in-kind contribution valued in excess of \$300.00, to any Campaign Entity;
 - (ii) made a coordinated or uncoordinated expenditure that funds an electoral communication expressly advocating the election or defeat of a person who, at the time of the expenditure, is a candidate for City of Jersey City Mayor or Council;
 - (iii) made a coordinated or uncoordinated expenditure that funds an electoral communication expressly advocating the election or defeat of a candidate for any elective office, if that candidate is at the time of the expenditure, the holder of the office of City of Jersey City Mayor or Council;
 - (iv) engaged in voter identification (as defined at 11 C.F.R. § 100.23(a)(4)) within the City of Jersey City; or
 - (v) engaged in "get out the vote" activities (as defined at 11 C.F.R. § 100.23(a)(3)) within the City of Jersey City unless no effort has been made to determine the part or candidate preference of individuals before or after encouraging them to vote

- (6) The "City of Jersey City" refers City of to the City of Jersey City and any of its departments, boards, instrumentalities, its autonomous agencies a majority of whose members are appointed by the Mayor and/or Council (regardless of whether such mayor or councilperson is still in office), and the purchasing agents of the foregoing.

B. Prohibition on Awarding Public Contracts to Certain Contributors.

- (1) To the extent that it is not inconsistent with the United States Constitution or state or federal law, the City of Jersey City shall not enter into any agreement, procurement, or contract for Professional or Extraordinary Services with any Business Entity if such Business Entity has made a Contribution to a Campaign Entity in excess of the monetary thresholds of this ordinance, within four calendar years immediately preceding the date of the contract or agreement, or solicited any Contribution to a Campaign Entity within four calendar years immediately preceding the date of the contract or agreement.
 - (2) No Business Entity who submits a proposal for, enters into negotiations for, or agrees to any contract or agreement with the City of Jersey City shall make or solicit any Contribution to a Campaign Entity between the time of first communication between that Business Entity and the City of Jersey City regarding a specific agreement for Professional or Extraordinary Services, and the later of the termination of negotiations or rejection of any proposal, or the completion of the performance or specified time period of that contract or agreement.
 - (3) No non-Jersey City resident or business can make or solicit any contribution to a Campaign Entity. The City of Jersey City shall not enter into any agreement, procurement, or contract for Professional or Extraordinary Services with any Business Entity if such Business Entity or any of its employees or officers are non-Jersey City residents and has made a Contribution to a Campaign Entity in excess of the monetary thresholds of this ordinance, within four calendar years immediately preceding the date of the contract or agreement, or solicited any Contribution to a Campaign Entity within four calendar years immediately preceding the date of the contract or agreement.
 - (4) The monetary thresholds of this Ordinance are:
 - (i) a maximum of three hundred dollars (\$300.00) per calendar year to any Campaign Entity described in subparagraph (A)(1)(i), (ii) and (iii);
 - (ii) a maximum of five hundred dollars (\$500.00) per calendar year to any Campaign Entity described in subparagraph (A)(1)(iv), (v), (vi), and (vii); and
 - (iii) a maximum of two thousand five hundred dollars (\$2,500) per calendar year when all contributions made by the Business Entity and all persons whose contributions are attributed to the Business Entity under Subsection A(4), are aggregated.
 - (5) Rules regarding subcontractors. No person may be awarded a subcontract to perform under a contract for Professional or Extraordinary Services, if the subcontractor would be disqualified by Subsection B(1) from receiving the contract at the time that the subcontract is awarded. Nor may any person who would be disqualified by Subsection B(1) from receiving a contract perform substantially all of obligations described in a contract for Professional or Extraordinary Services. A subcontractor performing under a contract for Professional or Extraordinary Services shall comply with the requirements of Subsection B(2) during the term of their subcontract.
- C. Contributions Made Prior to the Effective Date. No Contribution or solicitation of contributions made prior to the effective date of this Ordinance shall be deemed to give rise to a violation of this Ordinance.
- D. Contract Renewal. No contract subject to this ordinance may be renewed, extended, or materially modified unless the resulting renewal, extension, or modification would be allowable under the provisions of this ordinance if it were an initial contract.
- E. Contribution Statement by Business Entity.
- (1) Prior to awarding any contract or agreement to procure Professional or Extraordinary Services from any Business Entity, the City of Jersey City shall receive a sworn statement from said Business Entity which is the intended recipient of said contract that he/she/it has not made a Contribution in violation of Section B. The City of Jersey City shall be responsible for informing the City Council that the aforementioned sworn statement has been received and that the

Business Entity is not in violation of this ordinance, prior to awarding the contract or agreement.

- (2) A Business Entity shall have a continuing duty to report to the City of Jersey City any Contributions that constitute a violation of this act that are made during the negotiation, proposal process or the duration of a contract. The City of Jersey City shall be responsible for informing the City Council or appropriate governing board within ten (10) business days after receipt of said report from the Business Entity, or at the next City Council meeting following receipt of said report from the Business Entity, or whichever comes first.
 - (3) The certification required under Subsection (E)(1) shall be made prior to entry into the contract or agreement with the City of Jersey City, or prior to the provision of services or goods, as the case may be, and shall be in addition to any other certifications that may be required by any other provision of law.
- F. Return of Excess Contributions. A Business Entity that is a party to a contract for Professional or Extraordinary Services may cure a violation of Section B if, within thirty (30) days after the date on which the applicable ELEC report is published, said Business Entity notifies the municipality in writing and seeks and receives reimbursement of the Contribution from the recipient of such Contribution.
- G. Exemptions. The solicitation and contribution limitations prior to entering into a contract in Subsection B(1) do not apply to contracts which (i) are awarded to the lowest responsible bidder after public advertising for bids and bidding therefor within the meaning of N.J.S.A. 40A:11-4, or (ii) are awarded in the case of emergency under N.J.S.A. 40A:11-6. There is no exemption for contracts awarded pursuant to a "Fair and Open Process" under N.J.S.A. 19:44A-20 et seq. However, the limitations of Subsection B(2) do apply to such contracts.
- H. Penalty.
- (1) It shall be a material breach of the terms of a City of Jersey City agreement or contract for Professional or Extraordinary Services when a Business Entity (including all persons whose contributions are imputed to the Business Entity under Subsection A(4)) to:
 - (i) make or solicit a Contribution in violation of this Ordinance;
 - (ii) knowingly conceal or misrepresent a Contribution given or received;
 - (iii) make or solicit Contributions through intermediaries for the purpose of concealing or misrepresenting the source of the Contribution;
 - (iv) make or solicit any Contribution on the condition or with the knowledge or intention that it will be re-contributed to a Campaign Entity;
 - (v) engage or employ a lobbyist, consultant, or other form of representative with the knowledge or intention that such lobbyist or consultant would make or solicit any Contribution, which if made or solicited by the Business Entity, would subject that entity to the restrictions of this Ordinance;
 - (vi) fund contributions to a Campaign Entity made by third parties, including consultants, attorneys, family members, and employees;
 - (vii) engage in any exchange or transfer of Contributions with knowledge that it would, or with the intent to, circumvent the intent of this Ordinance; or
 - (viii) directly or indirectly, through or by any other person or means, knowingly or purposely do any act which, if done directly by the Business Entity, would subject that entity to the restrictions of this Ordinance.
 - (2) Furthermore, any Business Entity that engages in the conduct described in subsection H(1) shall be disqualified from eligibility for future City of Jersey City contracts until the later of: (i) eight (8) years from the date of the violation; or (ii) eight (8) years from the date that a final, unappealable determination finding a violation has been made.
 - (3) Any person who knowingly, purposely, or recklessly violates any provision of this Ordinance, or who conspires with another person to violate any provision of

this Ordinance, or who, with the purpose of promoting or facilitating a violation of this Ordinance, solicits another person to commit it, or aids or agrees, or attempts to aid another person in planning or committing it, shall be subject to punishment including fines and/or imprisonment as fixed by law for violations of the Ordinances of the City of Jersey City.

- I. Citizens' Private Right of Action. In addition to any rights that were heretofore available, or which may hereafter be available, to citizens, taxpayers, or associations, to challenge violations of this Ordinance, every person aggrieved by a violation of the Ordinance, or any taxpayer or resident of the City of Jersey City has the right, consistent with the Rules of Court, to file charges in a court of competent jurisdiction, and/or to pursue a civil action for a violation of this ordinance in a court of competent jurisdiction, and to seek and obtain declaratory, injunctive, or other legal or equitable relief, including but not limited to, attorneys' fees and costs, arising from or related to a violation of this Ordinance.
- J. Severability. If any provision of this Ordinance, or the application of any such provision to any person or circumstances, shall be determined to be invalid, the remainder of this Ordinance to the extent it can be given effect, or the application of such provision to persons or circumstances other than those to which it is determined to be invalid shall not be affected thereby, and to this extent the provisions of this Ordinance are severable. The drafters of this Ordinance, the persons signing the petition in support of this ordinance, and the persons who cast votes in favor of the ordinance, declare that they would have supported the ordinance and each section, subsection, subparagraph, sentence, clause, phrase, or provision or application thereof, irrespective of the fact that any one (1) or more other sections, subsections, subparagraphs, sentences, clauses, phrases, or provisions or applications thereof may be determined to be invalid.
- K. Repealed. All ordinances or parts of ordinances which are inconsistent with any provisions of this Ordinance are hereby repealed as to the extent of such inconsistencies.
- L. Indexing. The monetary thresholds of Subparagraph (A)(4)(v) and Subsection (B)(3) shall be increased effective March 1 of each calendar year by the percentage increase, in the prior calendar year, of the consumer price index for all urban consumers (CPI-U) for the New York-Northern New Jersey-Long Island region, rounded to the nearest ten dollars (\$10.00). The Clerk of the City of Jersey City shall, by no later than April 1 of each calendar year, prepare and publish the revised thresholds on the official municipal website and in an official municipal newspaper.
- M. Effective date. This Ordinance shall become effective twenty (20) days following the final adoption thereof by the Municipal Council of the City of Jersey City (or the voters thereof, as the case may be) and shall be published as required by law.
- B. All previous ordinances and parts of ordinances addressing pay to play are hereby repealed and superseded.
- C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall become effective upon the approval of the ordinance by a majority of those voting on the question in favor of the question.
- E. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.
- F. The City recognizes that the United States Constitution, federal law and state law supersede City Ordinances. To the extent any provision herein contradicts the aforementioned, the aforementioned controls.

Note: All language is new, therefore underlining has been omitted.

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____

Business Administrator

Certification Required ☐

Not Required ☐

City Clerk File No. Ord. 16.112
Agenda No. 3.B 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.112
TITLE: ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 3
(ADMINISTRATION OF GOVERNMENT), ARTICLE VI
(DEPARTMENT OF ADMINISTRATION) TO AMEND THE
REDEVELOPMENT PAY TO PLAY REFORM LAW

COUNCIL offered and moved adoption of the following Ordinance:

A. The following amendments to Chapter 3 (Administration of Government) Article VI (Department of Administration) of the Jersey City Code are adopted:

CHAPTER 3
Administration of Government
ARTICLE VI
Department of Administration

§3-39. Through §3-51.1. No Change.

§3-51.2. Repealed in its entirety.

§3-51.2. Redevelopment Pay-to-Play Reform.

A. Prohibition of entering into or amending redevelopment agreements with certain contributors.

- (1) Any other provision of law to the contrary notwithstanding, the City of Jersey City shall not enter into an agreement, amend an agreement, or otherwise contract with any Redeveloper for the planning, re-planning, construction or undertaking of any redevelopment project if that redeveloper has made a Contribution to a Campaign Entity within an eight year period prior to applying for, or offering to enter into, a Redevelopment Agreement.
- (2) All Redevelopment Agreements entered into by the City of Jersey City shall contain a provision prohibiting Redevelopers from soliciting or making any contribution to a Campaign Entity between applying for, or offering to enter into, a Redevelopment Agreement and the later of the termination of negotiations or rejection of any application or offer, or the satisfaction of all obligations specified by, the Redevelopment Agreement.
- (3) No non-Jersey City resident or business can make or solicit any contribution to a Campaign Entity. The City of Jersey City shall not enter into any Redevelopment Agreements, with a redeveloper if any of its employees or officers are non-Jersey City residents and has made a Contribution to a Campaign Entity in excess of the monetary thresholds of this ordinance, within four calendar years immediately preceding the date of the contract or agreement, or solicited any Contribution to a Campaign Entity within four calendar years immediately preceding the date of the contract or agreement.

B. Contributions made prior to the effective date. No contribution or solicitation of contributions made prior to the effective date of section A. shall be deemed to give rise to a violation of this Ordinance.

C. Contribution statement of Redeveloper; notice given by municipality.

- (1) Prior to entering into any Redevelopment Agreement with any Redeveloper, the City of Jersey City shall receive a sworn statement from the Redeveloper:
 - (a) That neither the Redeveloper nor any person or entity whose Contributions would be imputed to the Redeveloper under subsection K.(3) has made any contribution in violation of subsection A.(1) above; and
 - (b) That all persons or entities whose Contributions would be imputed to the Redeveloper under subsection K.(3) have agreed to be bound by the terms of subsection A.(2) above.

Prior to the award of any Redevelopment Agreement, the City of Jersey City, through the head of the appropriate redevelopment agent, agency, authority, or department, shall inform the City Council that the aforementioned sworn statement has been received and that the Redeveloper is not in violation of this Ordinance. Furthermore, the Redeveloper shall have a continuing duty to report any violations of this Ordinance that may occur while arranging and entering into the redevelopment agreement, and until the satisfaction of all obligations specified by the Redevelopment Agreement. The certification required under this subsection shall be in addition to any other certifications that may be required by any other provision of law.

- (2) It shall be the municipality's continuing responsibility to give notice of terms of this Ordinance when the municipality gives notice of redevelopment pursuant to N.J.S.A. 40A:12A-6; when the municipality adopts a resolution directing the planning board to prepare a redevelopment plan; and at the time that the municipality adopts the ordinance to implement a redevelopment plan.

D. Contribution and disclosure requirement applicability to consultants.

- (1) The contribution and disclosure requirements in this Ordinance shall apply to all Redevelopers as well as professionals, consultants or lobbyists, during the terms of their contract with or employment by, the Redeveloper to provide services related to:
 - (a) Lobbying of government officials in connection with the examination of an area and its designation as an area in need of redevelopment or in connection with the preparation, consultation and adoption of the redevelopment plan;
 - (b) Obtaining the designation or appointment as Redeveloper.
 - (c) Negotiating the terms of a Redevelopment Agreement or any amendments or modifications thereto; and
 - (d) Performing the terms of a Redevelopment Agreement.

The restrictions on solicitation of Contributions specified by this Ordinance do not apply to professionals, consultants, or lobbyists notwithstanding that they may be governed by subsection D.(1).

- (2) It shall be a material breach of the professional's, consultant's, or lobbyist's contract, and shall require immediate termination, for a consultant to violate the contribution limits and disclosure requirements in this section D.
- (3) A Redeveloper who participates in, or facilitates, the circumvention of the contribution restrictions through professionals, consultants, or lobbyists shall be deemed to be in material breach of its Redevelopment Agreement, and such material breach shall require immediate termination of the Redevelopment Agreement.

E. Return of excess contributions. A redeveloper or a Campaign Entity may cure a violation of this Ordinance, if, within thirty (30) days after the date on which the applicable ELEC report is published, the redeveloper notifies the Municipal Council in writing and seeks and receives reimbursement of a contribution from the recipient of such contribution.

F. Penalty.

- (1) It shall be a material breach of the terms of a Redevelopment Agreement for a Redeveloper to:
 - (a) Make or solicit a Contribution in violation of this Ordinance;
 - (b) Knowingly conceal or misrepresent a Contribution given or received;
 - (c) Make or solicit Contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution;
 - (d) Make or solicit any Contribution on the condition or with the knowledge or intention that it will be recontributed to a Campaign Entity;
 - (e) Engage or employ a lobbyist, consultant, or other form of representative on the condition or with the knowledge or intention that such lobbyist, consultant or other form of representative would make or solicit any Contribution, which if made or solicited by the Redeveloper itself, would subject that entity to the restrictions of this Ordinance;
 - (f) Fund Contributions to a Campaign Entity made by third parties, including consultants, attorneys, family members, and employees;
 - (g) Engage in any exchange or transfer of contributions with the knowledge that it would, or with the intent to, circumvent the intent of this Ordinance; or
 - (h) Directly or indirectly, through or by any other person or means, knowingly or purposely do any act which if done directly by the Redeveloper, would subject the Redeveloper to the restrictions of this Ordinance.
- (2) Furthermore, any Redeveloper that engages in the conduct described in subsection F(1) shall be disqualified from eligibility for future Jersey City redevelopment agreements until the later of: (i) eight (8) years from the date of the violation; or (ii) eight (8) years from the date that a final, unappealable determination finding a violation has been made;
- (3) Any person who knowingly, purposely, or recklessly violates any provision of this Ordinance, or who conspires with another person to violate any provision of this Ordinance, or who, with the purpose of promoting or facilitating a violation of this Ordinance, solicits another person to commit it, or aids or agrees, or attempts to aid another person in planning or committing it, shall be subject to punishment including fines and/or imprisonment as fixed by law for violations of the Ordinances of the City of Jersey City.

- G. Severability. If any provision of this Ordinance, or the application of any such provision to any person or circumstances, shall be determined to be invalid, the remainder of this section to the extent it can be given effect, or the application of such provision to persons or circumstances other than those to which it is determined to be invalid shall not be affected thereby, and to this extent, the provisions of this Ordinance are severable. The drafters of this Ordinance, the persons signing the petition in support of this Ordinance (if any), and the persons who cast votes in favor of this Ordinance, declare that they would have supported the section and each section, subsection, sentence, clause, phrase, or provision or application thereof, irrespective of the fact that any one (1) or more other sections, subsections, sentences, clauses, phrases, or provisions or applications thereof may be determined to be invalid.
- H. Repealer. All ordinances or parts of ordinances which are inconsistent with any provisions of this Ordinance are hereby repealed as to the extent of such inconsistencies.
- I. Effective date. This Ordinance shall become effective twenty (20) days following the final adoption thereof by the Municipal Council of the City of Jersey City.
- J. Citizens' Private Right of Action. In addition to any rights that were heretofore available, or which may hereafter be available, to citizens, taxpayers, or associations, to challenge violations of this Ordinance, every person aggrieved by a violation of the Ordinance, or any taxpayer or resident of the City of Jersey City has the right, consistent with the Rules of Court, to file charges in a court of competent jurisdiction, and/or to pursue a civil action for a violation of this ordinance in a court of competent jurisdiction, and to seek and obtain declaratory, injunctive, or other legal or equitable relief, including but not limited to, attorneys' fees and costs, arising from or related to a violation of this Ordinance.
- K. Definitions.
As used in this Ordinance:
- (1) A "Redeveloper" means any person, firm, corporation, partnership, limited liability company, public entity, or any other form of association, organization, or governmental body that shall enter into or propose to enter into an agreement with the City of Jersey City for the redevelopment or rehabilitation of an area in need of redevelopment, or an area in need of rehabilitation, or any part thereof, or for any construction or other work forming part of a redevelopment or rehabilitation project, if the redevelopment project or any part thereof is within the territorial limits of Jersey City.
 - (2) A "Redevelopment Agreement" is any agreement, contract, or enforceable promise or promises between a Redeveloper and the City of Jersey City for the purposes specified in subsection K.(1).
 - (3) Any contributions or solicitations of contributions made by the following persons associated with a Redeveloper shall be imputed to the Redeveloper, and treated as if made by the Redeveloper, for purposes of applying this Ordinance:
 - (a) any person who owns ten percent (10%) or more of the equity or ownership or income interests of a Redeveloper and their spouses and child/children;
 - (b) all partners or officers of a Redeveloper and their spouses and child/children;
 - (c) any person, subcontractor, subsidiary, corporation, firm, partnership, limited liability company, organization or association who has received or infeasibly acquired the right to receive, from a Redeveloper, more than one hundred thousand dollars

(\$100,000.00) in compensation or income of any kind (including, by way of illustration, and not limitation: wages, salaries, sums paid to independent contractors, benefits, dividends, profit-sharing, pension contributions, deferred contributions, stock, stock options or gifts), in any twelve (12) month period; and

- (d) a person who would be an "affiliate" of a Redeveloper, if that Redeveloper were a debtor, as such term is interpreted under 11 U.S.C. 101(2).
- (4) "Contribution" has the meaning prescribed in N.J.A.C. 19:25-1.7. By way of illustration, and not limitation, this definition includes pledges, loans, and in-kind contributions. However, a Contribution shall not include any single contribution of \$300.00 or less or multiple contributions in a calendar year of less than \$500.00.
- (5) "Campaign Entity" means:
 - (a) every candidate for City of Jersey City elective municipal office or Jersey City Board of Education;
 - (b) every candidate committee established by or for the benefit of a candidate for City of Jersey City elective municipal office or Jersey City Board of Education;
 - (c) every joint candidate committee established in whole or in part by or for the benefit of a candidate for City of Jersey City elective municipal office or Jersey City Board of Education;
 - (d) every political party committee of the City of Jersey City;
 - (e) every political party committee of the County of Hudson;
 - (f) every political committee, continuing political committee, independent expenditure committee, or other form of association or organization that engages in the support of a candidate or candidates for the City of Jersey City municipal elective office or City of Jersey City Board of Education or Jersey City or Hudson county political parties or political party committees; and
 - (g) every political committee, continuing political committee, independent expenditure only committee, or other form of association or organization that engages in support of a candidate or candidates for any elective office if that candidate currently holds the office of Jersey City Council, Mayor, or member of its Board of Education.
 - (h) A person "engages in the support of a candidate" within the meaning of Subsection K.(5) if in a twelve (12) month period such person has:
 - (i) made a direct monetary contribution or in-kind contribution valued in excess of \$300.00, to any Campaign Entity;
 - (ii) made a coordinated or uncoordinated expenditure that funds an electoral communication expressly advocating the election or defeat of a person who, at the time of the expenditure, is a candidate for City of Jersey City Mayor or Council;
 - (iii) made a coordinated or uncoordinated expenditure that funds an electoral communication expressly advocating the election or defeat of a candidate for any elective office, if that candidate is at the time of the expenditure, the holder of the office of City of Jersey City Mayor or Council;
 - (iv) engaged in voter identification (as defined at 11 C.F.R. § 100.24(a)(4)) within the City of Jersey City; or
 - (v) engaged in "get out the vote" activities (as defined at 11 C.F.R. § 100.24(a)(3)) within the City of Jersey City, unless no effort is or has been made to determine the party

or candidate preference of individuals before or after encouraging them to vote.

- (6) The "City of Jersey City" refers City of to the City of Jersey City and any of its departments, boards, instrumentalities, its autonomous agencies a majority of whose members are appointed by the Mayor and/or Council (regardless of whether such mayor or councilperson is still in office), and the purchasing agents of the foregoing.

All dollar values specified in this section K. shall be increased effective March 1 of each calendar year by the percentage increase, in the prior calendar year, of the consumer price index for all urban consumers (CPI-U) for the New York-Northern New Jersey-Long Island region, rounded to the nearest ten dollars (\$10.00). The Clerk of the City of Jersey City shall, by no later than April 1 of each calendar year, prepare and publish the revised thresholds on the official municipal website and in an official municipal newspaper.

B. All previous ordinances and parts of ordinances addressing pay to play are hereby repealed and superseded.

C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

D. This ordinance shall become effective upon the approval of the ordinance by a majority of those voting on the question in favor of the question.

E. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

F. The City recognizes that the United States Constitution, federal law and state law supersede City Ordinances. To the extent any provision herein contradicts the aforementioned, the aforementioned controls.

Note: All language is new, therefore underlining has been omitted.

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

City Clerk File No. Ord. 16.113
Agenda No. 3.C 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.113

TITLE: ORDINANCE OF THE CITY OF JERSEY CITY SUBMITTING TO THE VOTERS FOR THEIR APPROVAL OR DISAPPROVAL IN A BINDING REFERENDUM, TWO ORDINANCES MANDATING PAY TO PLAY REFORM: 1) FOR REDEVELOPERS AND 2) FOR CONTRACTORS

COUNCIL AS A WHOLE offered and moved adoption of the following ordinance:

WHEREAS, the City of Jersey City is governed by the Mayor-Council Form C of Government under the Optional Municipal Charters Law of 1950, more commonly known as the Faulkner Act, N.J.S.A. 40:69A-1; and

WHEREAS, pursuant to the Faulkner Act, N.J.S.A. 40:69A-185 and 192 the voters have the power of referendum to approve or reject at the polls any ordinance that by its terms cannot become effective unless submitted to the voters; and

WHEREAS, the Municipal Council of the City of Jersey City has introduced the following ordinances:

1. Ordinance Amending And Supplementing Chapter 3 (Administration Of Government), Article VI (Department Of Administration) To Amend The Redevelopment Pay To Play Reform Law; and
2. Ordinance Amending And Supplementing Chapter 3 (Administration Of Government), Article VI (Department Of Administration) To Amend The Contractor Pay To Play Reform Law"; and

WHEREAS, by the terms of each ordinance, the ordinances cannot take effect unless submitted to and approved by the voters; and

WHEREAS, although it is within the Municipal Council's powers to adopt both ordinances to provide for Pay to Play Reform, the Mayor and Municipal Council would like to be certain of the voters' will, and effectuate these reforms only if the voters approve a binding referendum pursuant to the Faulkner Act, N.J.S.A. 40:69A-185; and

WHEREAS, after due consideration and review, the Mayor and Municipal Council concluded that the best way to be certain of the will of the Jersey City voters is to submit the ordinances for the approval and adoption to the voters at the November 2016 election; and

WHEREAS, placing the ordinances before the voters in November 2016 will allow the Mayor and Council to give the voters a chance to be directly heard and at no additional cost to the voters; and

WHEREAS, pursuant to N.J.S.A. 40:69A-195 the question shall be submitted to the voters in substantially the following form:

ORDINANCE OF THE CITY OF JERSEY CITY SUBMITTING TO THE VOTERS FOR THEIR APPROVAL OR DISAPPROVAL IN A BINDING REFERENDUM, TWO ORDINANCES MANDATING PAY TO PLAY REFORM: 1) FOR REDEVELOPERS AND 2) FOR CONTRACTORS

"Should the following Ordinances of the City of Jersey City, that provide for Pay to Play Reform for Redevelopers and Contractors, be adopted?:

Ordinance Amending And Supplementing Chapter 3 (Administration Of Government), Article VI (Department Of Administration) To Amend The Redevelopment Pay To Play Reform Law; and

Ordinance Amending And Supplementing Chapter 3 (Administration Of Government), Article VI (Department Of Administration) To Amend The Contractor Pay To Play Reform Law"; and

NOW, THEREFORE, BE IT ORDAINED, by the Municipal Council of the City of Jersey City that:

1. The Municipal Clerk is hereby directed to submit the following question to the voters in a binding referendum pursuant to NJS.A 40:69a-185 and 195:

"Should the following Ordinances of the City of Jersey City, that provide for Pay to Play Reform for Redevelopers and Contractors, be adopted?:

Ordinance Amending And Supplementing Chapter 3 (Administration Of Government), Article VI (Department Of Administration) To Amend The Redevelopment Pay To Play Reform Law; and

Ordinance Amending And Supplementing Chapter 3 (Administration Of Government), Article VI (Department Of Administration) To Amend The Contractor Pay To Play Reform Law"; and

2. In accordance with N.J.S.A. 40:69A-192(c), the above binding referendum shall be submitted to the voters at the next general election taking place in November 2016.

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect subject to the terms of this ordinance at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

City Clerk File No. Ord. 16.114

Agenda No. 3-D 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.114

TITLE: **ORDINANCE SUPPLEMENTING CHAPTER A351 (EXECUTIVE ORDERS AND ORDINANCES) OF THE JERSEY CITY CODE TO CREATE A NEW CLASSIFIED POSITION FOR YOUTH OPPORTUNITY COORDINATOR**

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

A. The following supplements to Chapter A351 (Executive Orders and Ordinances) of the Jersey City Code are adopted:

Labor Grade

Title

*

Youth Opportunity Coordinator

B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

C. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

D. This ordinance shall take effect at the time and in the manner as provided by law.

E. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in [brackets] are omitted.
For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

*Pursuant to N.J.S.A. 40:69A-43a.

NR/he
6/27/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____

Business Administrator

Certification Required ☐

Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

**ORDINANCE SUPPLEMENTING CHAPTER A351 (EXECUTIVE ORDERS AND ORDINANCES)
OF THE JERSEY CITY CODE TO CREATE A NEW CLASSIFIED POSITION FOR YOUTH
OPPORTUNITY COORDINATOR**

Initiator

Department/Division	Human Resources	Workforce Management
Name/Title	Nancy Ramos	Human Resources Director
Phone/email	(201) 547-5224	nancyr@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

To establish a New Title for Lucinda J. McLaughlin in accordance with New Jersey Department of Civil Services Commission Rules and Regulations

I certify that all the facts presented herein are accurate.


Signature of Department Director


Date



STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY
OFFICE OF THE MAYOR

CITY HALL | 280 GROVE STREET | JERSEY CITY, NJ 07302
P: 201 547 5500 | F: 201 547 5442



STEVEN M. FULOP
MAYOR OF JERSEY CITY

E.O. _____

_____, 2016

EXECUTIVE ORDER OF THE MAYOR
OF THE
CITY OF JERSEY CITY

CLASSIFIED POSITIONS FOR CITY EMPLOYEES

Pursuant to the Faulkner Act, N.J.S.A. 40:69A-48, as amended by L.1985, c.374, the Mayor is now authorized to set the salaries, wages or other compensation of all employees of administrative departments except department directors and employees whose salaries are required to be set by ordinance.

Pursuant to this authorization, I issue the following Executive Order establishing guidelines for salaries and wages of those employees whose salaries are set by the Mayor:

Labor Grade

Title

35

Youth Opportunity Coordinator

This order shall take effect immediately.

Very truly yours,

STEVEN M. FULOP, MAYOR

SMF/he

cc: Robert J. Kakoleski, Business Administrator
Jeremy Farrell, Corporation Counsel
Robert Byrne, City Clerk
Donna Mauer, Chief Financial Officer
Nancy Ramos, Personnel Director

Ordinance/Resolution Fact Sheet

This summary sheet is to be attached to the front of any ordinance, resolution, cooperation agreement, or contract that is submitted for Council consideration. Incomplete or sketch summary sheets will be returned with the resolution or ordinance. The Department, Division, or Agency responsible for the overall implementation of the proposed project or program should provide a concise and accurate state of facts.

Full Title of Ordinance/Resolution/Cooperation Agreement:

Youth Opportunity Coordinator

Name & Title of Person Initiating Ordinance/Resolution, Etc.:

Nancy Ramos, Human Resources Director

Concise Description of the Program, Project, or Plan Proposed in the Ordinance:

To establish a New Title in accordance with New Jersey Department Civil Services Commission Rules and Regulations.

Reasons for the Proposed Program, Project, Etc.:

Lucinda J McLaughlin

Anticipated Benefits to the Community:

Cost of Program, Project, Etc.:(Indicate the dollar amount of City, State, Federal funds to be used as well as match and in-kind contributions.)

Date Proposed Program or Project will Commence: _____

Anticipated Completion Date: _____

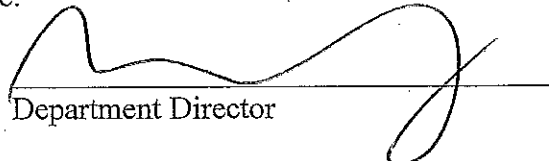
Person Responsible for Coordinating Proposed Program, Project Etc.: _____

Additional Comments:

Union Affiliation- Management Labor Grade-35

I Certify That All Facts Present Herein Are Accurate.

6/22/16
Date


Department Director

Date Submitted to Law Department _____

New Title

Title: Youth Opportunity Coordinator

Department: Administration

Division: Municipal Court

Labor Grade: 35

Min. \$24,400

Max. \$72,275

Union: Management

Lucinda J. McLaughlin

405 2nd St. 3L

Jersey City, NJ 07302

Salary: \$72,000

City Clerk File No. Ord. 16.115

Agenda No. 3.E 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.115

TITLE:

ORDINANCE AMENDING THE TAX EXEMPTION AND FINANCIAL AGREEMENT FOR BRAMHALL URBAN RENEWAL L.P., AN URBAN RENEWAL COMPANY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ., TO ALLOW THE DEDUCTION OF UTILITIES FROM ANNUAL GROSS REVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, Bramhall Urban Renewal L.P., is an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. [Entity]; and

WHEREAS, the Entity owns certain property known as Block 1949, Lots 4N, 4P, 4H, 4L and 4M on the City's Official Tax map, and more commonly known by the street address of 462, 466, 470, 474 and 478 Bramhall Avenue, Jersey City, New Jersey [Property]; and

WHEREAS, pursuant to Ordinance 99-159, adopted October 27, 1999, the Municipal Council of the City of Jersey City approved a 30 year tax exemption for an affordable housing project consisting of 85 units of rental housing affordable to families of low income to be constructed on the Property; and

WHEREAS, pursuant to the terms of the Financial Agreement dated November 23, 1999, the City of Jersey City was to have received a service charge equal to 15% of annual gross revenue, with no deduction for utilities; and

WHEREAS, on March 7, 2001, the Entity filed an application with the City to approve and acknowledge the conveyance of new ownership interests in the Entity; and

WHEREAS, although the project is generally well maintained, the Entity fell into default and was unable to pay its service charge; and

WHEREAS, the City of Jersey City and the Entity entered into lengthy negotiations to insure that the affordable housing would be preserved since the City's need for affordable housing, especially low income housing, continues; and

WHEREAS, by an application dated March 11, 2016 as amended by a letter dated June 27, 2016, the parties agreed to recommend an amendment to the Financial Agreement which would allow the Entity a maximum utilities deduction of no more than \$260,000 from annual gross revenue each year with a commensurate reduction in the amount of the annual service charge, but subject to the Entity's agreement to pay a minimum service charge in accordance with a schedule to be attached to the amended Financial Agreement; and

WHEREAS, with this modification, the project should be economically stabilized; and

WHEREAS, modifications or amendments to tax exemption financial agreements are authorized pursuant to N.J.S.A. 40A:20-9.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

A. The Application of Bramhall Urban Renewal, LP, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. for Block 1949, Lots 4N, 4P, 4H, 4L and 4M, more commonly known by the street address of 462, 466, 470, 474 and 478 Bramhall Avenue, to modify its tax exemption, is hereby approved.

B. The Mayor or Business Administrator is hereby authorized to execute an amendment to the November 23, 1999 tax exemption Financial to allow a utility deduction from annual gross revenue in an amount not to exceed \$260,000 per year but subject to the Entity's agreement to pay a minimum service charge in accordance with a schedule to be attached to the form of the amended Financial Agreement.

C. The application for an amendment to the tax exemption is on file in the office of the City Clerk. The amendment to the tax exemption Financial Agreement shall be in substantially the form attached, subject to such modifications as the Business Administrator or Corporation Counsel deems appropriate or necessary.

D. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Chief Financial Officer of the county and to the County Counsel, for information purposes, within ten (10) calendar days following the later of the effective date of an ordinance following its final adoption by the governing body approving the tax exemption or the execution of the financial agreement by the urban renewal entity.

E. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

F. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

G. This ordinance shall take effect at the time and in the manner provided by law.

H. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

DATE: June 28, 2016

TO: Joanne Monahan: (For distribution to City Council and City Clerk)

FROM: Al Cameron, Fiscal Officer - Tax Collector's Office

SUBJECT: AMMENDMENDMENT TO TAX ABATEMENT: BRAMHALL URBAN RENEWAL, LP - AFFORDABLE RENTAL PROJECT – Block 18802 Lots 3, 4, 5, 6 & 7 - 462, 466, 470, 474 and 478 Bramhall Avenue

CC: M. Cosgrove, E. Borja, E. Toloza, M. Vigil, R. Kakoleski, R. Lavarro, G. Corrado

INTRODUCTION:

The applicant, Bramhall Urban Renewal L.P., is applying for an amendment to an existing thirty (30) year tax abatement that will expire on May 31, 2031, pursuant to N.J.S.A. 40A:20-1 et seq. It is a five (5) building affordable rental complex.

LOCATION OF THE PROPERTY:

The property is located on Bramhall Avenue between Arlington Avenue and Grand Street near St. Patrick's Church. It consists of five (5) Buildings. Known as 462, 466, 470, 474, and 478 Bramhall Avenue, it consists of Block 18802 Lots 3, 4, 5, 6 and 7.

PROPERTY DISCRIPTION

It consists of five (5) buildings on five (5) lots. Each building is four (4) stories with seventeen affordable residential rental units. The residential units in each building are as follows:

<u>Unit Type</u>	<u>Number of Units Building</u>	<u>Number of Units Complex</u>
One Bedroom	3	15
Two Bedroom	11	55
Three Bedroom	<u>3</u>	<u>15</u>
<u>Total</u>	<u>17</u>	<u>85</u>

CURRENT REAL ESTATE TAX:

The assessment for the land is \$89,300. At the current tax rate of \$74.82 the estimated annual land tax is \$6,681.43. The Current Annual Service charge based upon the existing tax abatement terms is approximately \$109,000.

PROPOSED ABATEMENT AMENDMENT:

The applicant has requested that the term of the abatement remains the same. The expiration date is May 31, 2031. The only proposed change would modify the Annual Service Charge calculation. The change would allow for the deduction of utilities from Annual Gross Revenue up to a maximum of \$260,000.

That allowance will reduce the Annual service charge by \$39,000 per year. For the full fifteen (15) remaining years, the City will receive \$585,000 less in revenue from the applicant.

The rate of the annual Service Charge will remain at fifteen percent (15%) of Annual gross revenue and the City Administrative fee will remain at one half of one percent (0.5%).

MINIMUM ANNUAL SERVICE CHARGE:

The Minimum Annual Service Charge will be increased annually using the applicant's projected Annual Gross Revenue less the allowable utility deduction. In year sixteen (16), the first year of the amendment, the Minimum annual service charge would be \$73,672.35. It See Below:

BRAMHALL Minimum Annual Service Charge

Year	Begins	Ends	Minimum ASC
16	June 1, 2016	May 31, 2017	\$73,672.35
17	June 1, 2017	May 31, 2018	\$77,225.70
18	June 1, 2018	May 31, 2019	\$80,885.70
19	June 1, 2019	May 31, 2020	\$84,655.50
20	June 1, 2020	May 31, 2021	\$88,538.40
21	June 1, 2021	May 31, 2022	\$92,537.70
22	June 1, 2022	May 31, 2023	\$96,657.00
23	June 1, 2023	May 31, 2024	\$100,899.90
24	June 1, 2024	May 31, 2025	\$105,270.15
25	June 1, 2025	May 31, 2026	\$109,771.35
26	June 1, 2026	May 31, 2027	\$114,407.70
27	June 1, 2027	May 31, 2028	\$119,183.10
28	June 1, 2028	May 31, 2029	\$124,101.75
29	June 1, 2029	May 31, 1930	\$129,168.00
30	June 1, 2030	May 31, 1931	\$134,213.04

STAGED ADJUSTMENTS:

The staged adjustments remain unchanged. The original abatement began on June 1 2001. Year sixteen (16) began on June 1, 2016.

Beginning the first day of year sixteen (16) through the end of year twenty-one (21) it will be the greater of the annual service charge or twenty percent (20%) of conventional taxes otherwise due.

Beginning the first day of year twenty-two (22) through the end of year twenty-seven (27) it will be the greater of the annual service charge or forty percent (40%) of conventional taxes otherwise due.

Beginning the first day of year twenty-eight (28) through the end of year twenty-eight (28) it will be the greater of the annual service charge or sixty percent (60%) of conventional taxes otherwise due.

Beginning in year twenty-nine (29) through the end of year thirty (30) it will be the greater of the annual service charge or eighty percent (80%) of conventional taxes otherwise due.

Beginning in year thirty-one (31) the project will pay full conventional tax.

The Tax Assessor's phase-in schedule assesses the Land at \$89,300 and the improvements at \$ 1,794,700 for the project. The PILOT will be the greater of the Annual Service Charge (ASC) or the result of the staged adjustments.

PROPOSED REVENUE TO THE CITY:

The initial Annual Service charge is \$73,672 increasing to \$134,213. We can assume that the minimum service charge will be the amount or revenue received by the City plus a City Administrative Fee of one half of one percent (0.5%). There is no Hudson County Fee. See the proposed Minimum Annual Service Charge above.

TAX EXEMPTION APPLICATION CHECK LIST

Revised: February 23, 2016

The following items must be included in your application to be considered

1. **COMPLIANCE CERTIFICATION OF PRIOR PROJECTS WITH THE CITY OF JERSEY CITY:**
Certification from the Office of Tax Abatement and Compliance must be obtained for any Project Employment and Contracting Agreements and Project Labor Agreements for any projects by the applicant or any affiliates listed in the disclosure statement of the application. It must include projects with existing agreements and projects with agreements that have expired within the previous six years. This certification must be obtained from Pierre B. Leandre, Director, Office of Tax Abatement and Compliance, at 13-15 Linden Avenue East Jersey City, New Jersey, 07305, (201) 547-4538. This Certification must be included in the application prior to our review. If the applicant has no existing or prior agreements provide a notarized certification to that effect.

N/A. Bramhall is an existing project. No development proposed.

2. Statement from Office of Housing Code Enforcement that there are no outstanding violations on any property, within Jersey, City owned by the applicant or any affiliates. Provide a copy of the disclosure statement required in the application to Housing Code Enforcement and a list of owned property (Address, Block & Lot). The Division Director or designee will provide a written statement concerning the status of all properties within a reasonable amount of time. No Abatement application will be accepted without the statement. Any outstanding violation will disqualify an application. Housing Code Enforcement is at 30 Montgomery Street, Room 416. Telephone (201) 547-4825. If the applicant or affiliates, own no other property within Jersey City, provide a notarized certification to that effect.

Attached hereto.

3. Statement from Office of Tennant Landlord Relations that there are no outstanding violations on any property, within Jersey City, owned by the applicant or any affiliates. Provide a copy of the disclosure statement required in the application to Housing Code Enforcement and a list of owned property (Address, Block & Lot). The Division Director or designee will provide a written statement concerning the status of all properties within a reasonable amount of time. No Abatement application will be accepted without the statement. Any outstanding violation will disqualify an application. Tennant Landlord Relations is at 30 Montgomery Street, Room 415. Telephone (201) 547-5127. If the applicant or affiliates, own no other property within Jersey City, provide a notarized certification to that effect.

N/A. Bramhall is an existing project. No development proposed.

4. A description of the property for which the tax exemption is sought, identified by metes and bounds, tax map block and lots and corresponding street address, including a survey or plotting from the tax map. Clearly identify the property on Tax Maps.

See Exhibit 1 to Financial Agreement, attached.

5. A copy of the deed or lease as applicable. If the Property is not owned or leased at the time of application, the applicant shall provide a copy of the contract to purchase or the proposed form of lease

See Exhibit 10 to Financial Agreement, attached hereto.

6. A general statement of the nature of the proposed project: low and moderate income, market rate residential, Commercial, industrial, etc; and whether the property is to be owned or leased. If leased, the lease must be coterminous with the requested term of the abatement.

Attached hereto.

7. The requested term or duration of the tax exemption, including any build out period.

See Exhibit 6 to Financial Agreement (2029).

8. A detailed description of the improvements to be made to the Property, including approved site plans and, if appropriate, architectural drawings.

N/A. Bramhall is an existing project. No development proposed.

9. An estimate of the total cost of the project, including an estimate of construction costs, certified by a qualified architect or engineer.

N/A. Bramhall is an existing project. No development proposed.

10. The source, method and amount of money to be subscribed through public or private capital, to fund the construction of the Project, including the amount of stock or other securities to be issued therefor, or the extent of capital invested and the proprietary or ownership interest obtained in consideration.

N/A. Bramhall is an existing project. No development proposed.

11. A fiscal plan outlining the schedule of annual gross revenue or gross shelter rents, the estimated expenditures for operation and maintenance, interest, amortization of debt and all reserves, and the proposed payments to be made to the City under the Financial Agreement.

See Exhibit 6 to Financial Agreement.

12. A construction schedule indicating a certain commencement date which must occur no later than five (5) years from the date of the application.

N/A. Bramhall is an existing project. No development proposed.

13. A certified copy of the Planning Board Site Plan Approval Resolution. All information in the application must conform to the Planning Board Approval.

N/A. Bramhall is an existing project. No development proposed.

14. For long-term abatement applications, proof that the proposed Project is located within a redevelopment plan area, an Urban Enterprise Zone; or is a project for the relocation of residents displaced from a redevelopment area or restricted to occupation by low or moderate income households.

N/A. Bramhall is subject to an existing Financial Agreement for which this amendment is sought.

15. The amount and schedule of payments to the Affordable Housing Trust Fund and/or the percentage or number of units to be set aside for low and moderate income affordable housing.

Bramhall is 100% affordable housing. See #6, above.

16. Tax levy on the Property for the preceding year the year the application is filed. In the case of Property that has been classified as tax exempt by the Tax Assessor under Title 54, the projected tax levy shall be stated as if the Property had not been tax exempt.

N/A. Bramhall is subject to an existing Financial Agreement for which this amendment is sought.

17. Status of all municipal taxes, fees and charges due and payable to the City arising from or imposed on the Property or any other property within the City, that is owned by the Developer or any principal or partner of the Developer. No application will be considered with outstanding taxes, fees or charges. List status of taxes of all owned Jersey City properties. Must include owner, address, block and Lot of each property.

Attached hereto.

18. Disclosure statements as to all parties, including principals, partners, parent and subsidiary companies, having any interest in the Property or the Project or any other properties in which any of such parties have any interest. A New Jersey Formation Certificate must be included. See Disclosure Requirements Below:

Disclosure Statements attached hereto. Certificate of Formation is Exhibit 4 to Financial Agreement.

19. For EVERY application, Long or Short term, a certification by the Developer that construction of the Project has not and will not commence prior to the final approval and full execution of the Financial Agreement.

N/A. Bramhall is an existing project. No development proposed.

20. The Developer's good faith estimate of the number and type of temporary jobs to be created by the Project during construction and the number and type of permanent jobs to be created by the Project within one year after construction is completed.

The application shall also set forth the proposed Project Employment and Materials Procurement Plan of the Developer and a written statement by the Director of the Office of Tax Abatement and Compliance that such proposal complies with the City's employment and procurement policies. The Director's statement must be included in the application.

N/A. Bramhall is an existing project. No development proposed.

21. A certification by the Developer that the Project meets the requirements of the laws of the State of New Jersey and City of Jersey City.

Attached hereto.

22. Certification by the Developer that diligent inquiry has been made to confirm the accuracy of all information contained in the application and that the information is true and correct.

Attached hereto.

23. Proposed form of Financial Agreement, on form approved by the Corporation Counsel. Copy may be obtained from the Jersey City Law Department.

Attached hereto.

24. Proposed form of Project Employment and Contracting Agreement on form approved by Corporation Counsel. Copy may be obtained from the Jersey City Law Department.

N/A. Bramhall is an existing project. No development proposed.

25. Proposed Project Labor Agreement, if applicable. Copy may be obtained from the Jersey City Law Department.

N/A. Bramhall is an existing project. No development proposed.

26. Five-year abatements must include a completed copy of State of New Jersey Division of Taxation form E/A-1 Pursuant to P.L. 1991, c.441

N/A. Bramhall is an existing project. No development proposed.

27. Proof of Payment in full of the applicable application fee.

N/A. Bramhall is subject to an existing Financial Agreement for which this amendment is sought.

28. Required Certifications shall contain the original signature of the Developer notarized or witnessed. In the case of a corporation, the Developer shall submit a notarized corporate resolution, with the seal of the corporation and the signature of the secretary of the corporation, authorizing the signatory to bind the corporation or similar bona fide evidence of authorization. In the case of a partnership the Developer shall submit a copy of the partnership agreement, certified to be in full force and effect, authorizing the signatory to bind the partnership. In the case of a limited liability corporation or any other lawful business organization, the Developer shall submit other similar bona fide evidence of the signatory's authority.

No Certification shall contain any conditional phrase that will diminish its significance such as, but not limited to, "to my best knowledge and belief".

29. Such other documents or information as deemed necessary or appropriate.

Additional Exhibits may be included as necessary.

Revised: February 23, 2016

DATE: May 25, 2016

Checklist Item No. 2

Jeanne Ann McManus

From: Edward Coleman <EDCO@jcnj.org>
Sent: Tuesday, April 05, 2016 10:32 AM
To: Jeanne Ann McManus
Cc: Albert E. Cameron Jr.; John Hallanan
Subject: Tax exemption application check

FilingDate: 4/5/2016 2:41:02 PM

Ms. Mc Manus,

As per your letter dated April 1, 2016, a search of the records was conducted on 162 Bidwell, & 462, 466, 470, 474 & 478 Bramhall Ave. regarding any outstanding violations on file with the division of housing code enforcement. There are no outstanding violations.

ED COLEMAN , DIRECTOR HOUSING CODE
30 MONTGOMERY ST. RM #416
JERSEY CITY, NJ 07302
201-547-4824 EDCO@JCNJ.ORG

WEINER | LESNIAK LLP

ATTORNEYS AT LAW

www.weinerlesniak.com

JEANNE ANN MCMANUS

Member of the Firm

jmcmanus@weinerlesniak.com

April 1, 2016

Edward Coleman, Director
City of Jersey City
Division of Housing Code Enforcement
30 Montgomery Street, Room 416
Jersey City, New Jersey 07302

Re: Bramhall Urban Renewal, LP
462, 466, 470, 474 and 478 Bramhall Avenue
Block 18802, Lots 3, 4, 5, 6 and 7
Our File No. 21253F

Dear Mr. Coleman:

This firm represents the above-referenced urban renewal entity with regard to the above-referenced properties located in Jersey City. As required by Jersey City's Tax Exemption Application Check, I am writing at this time to request a statement from the Office of Housing Code Enforcement to the effect that there are no outstanding violations on any property within Jersey City owned by Bramhall Urban Renewal, LP and/or Domus Corporation. Following is the list of all properties within Jersey City in which either of the two (2) aforementioned entities has an ownership interest:

162 Bidwell Avenue, Block 24001 Lot 71
462, 466, 470, 474 & 478 Bramhall Avenue, Block 18802 Lots 3, 4, 5, 6 & 7

Under the terms of an Agreement reached with the City's Corporation Counsel regarding an amendment to the existing tax abatement, we will be required to submit all the Check List items including your Statement within two (2) weeks of the City Council's approval of the Agreement between Bramhall Urban Renewal, LP and the Corporation Counsel. Under the circumstances, it would be greatly appreciated if the preparation of the statement required from your office could be expedited in order to enable us to meet that deadline.

Thank you in advance for your courteous attention to this matter. If you have any questions, please feel free to contact me.

Very truly yours,

WEINER LESNIAK LLP

By: 

Jeanne Ann McManus
A Member of the Firm

JAM/cl

cc: John Westervelt
Paul M. Weiner, Esq.
Paula Mercado Hak, Esq.
John H. Hallanan, III, Esq.
Albert Cameron

629 PARSIPPANY ROAD, P.O. BOX 0438, PARSIPPANY, NEW JERSEY 07054
PHONE 973-403-1100 FAX 973-403-0010

1063424_1

Checklist Item No. 6

6. A general statement of the nature of the proposed project: low and moderate income, market rate residential, Commercial, industrial, etc; and whether the property is to be owned or leased. If leased, the lease must be coterminous with the requested term of the abatement.

The Bramhall buildings ("Project") are located at 462, 466, 470, 474 and 478 Bramhall Avenue, Jersey City, NJ and contain 85 residential rental units for qualified low-income tenants. The Project is 100% affordable housing. The buildings and related improvements have qualified for, and been allocated, low-income housing tax credits pursuant to Internal Revenue Code Section 42 ("Section 42"), which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. In addition, Bramhall Urban Renewal, L.P. has executed a Deed of Easement and Restrictive Covenant for extended low and moderate-income occupancy, which requires the utilization of the Project as affordable housing pursuant to Section 42 for a minimum of thirty-five (35) years, even if disposition of the Project by the Partnership should occur.

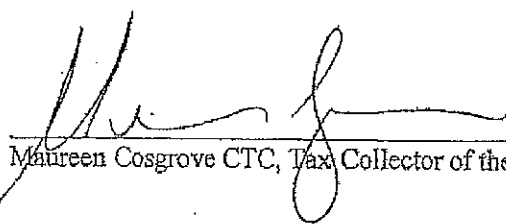
Checklist Item No. 17

ASSIGNMENT OF TAX SALE CERTIFICATES

KNOW ALL MEN BY THESE PRESENTS, that the Municipality of Jersey City, in consideration of \$250,000.00 dollars, on this 11th day of May 2016, the receipt whereof is hereby acknowledged, have grant, bargain, sold, transferred, assigned, and set over, and by these presents do grant, bargain, sell, assign, and set over unto said Domus Corporation, his (her) heirs, representative, and assigns, all right, title, interest, property, and estate, in and to the Tax Sale certificate numbers (see attached schedule A), and in and to the land therein mentioned and referred to as filed in the County of Hudson, Mortgage Book (see attached schedule A) Page (see attached schedule A), known as Block (see attached schedule A), Lot (see attached schedule A), located at (see attached schedule A)).

This assignment is made under and in accordance with the provisions of N.J.S.A. 54:5-114.2(b), and also in accordance with a resolution adopted by the governing body of the City of Jersey City on May 11th 2016 RES. 16-287.

IN WITNESS WHEREOF, the party of the first part has set hand and seal or caused these presents to be signed by its proper corporate officers and caused its proper corporate seal to be hereto affixed, on the day and year first written.

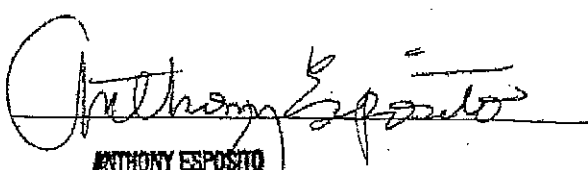

Maureen Cosgrove CTC, Tax Collector of the City of Jersey City

STATE OF NEW JERSEY

COUNT ON HUDSON

SS:

BE IT REMEMBERED THAT ON THIS 12th DAY OF May, 2016, BEFORE ME, THE SUBSCRIBER AND A NOTARY PUBLIC IN THE STATE OF NEW JERSEY, PERSONALLY APPEARED MAUREEN COSGROVE, COLLECTOR OF TAXES OF THE TAXING DISTRICT OF JERSEY CITY, IN THE COUNTY OF HUDSON WHO I AM SATISFIED, IS THE INDIVIDUAL DESCRIBED HEREIN, AND WHO EXECUTED THE ABOVE CERTIFICATES OF ASSIGNMENT; AND I HAVING MADE KNOWN TO HER THE CONTENTS THEREOF, SHE THEREUPON ACKNOWLEDGED TO ME THAT SHE SIGNED, SEALED AND DELIVERED THE SAME AS HER VOLUNTARY ACT AND DEED, FOR THE USES AND PURPOSES THEREIN EXPRESSED.


ANTHONY ESPOSITO
NOTARY PUBLIC OF NEW JERSEY
ID #2439283
My Commission Expires Oct. 7, 2018

1. The first part of the document is a list of names and titles, including "The Hon. Mr. Justice" and "The Hon. Mr. Justice".

Assigned To: Domus Corporation
590 North 7th Street
Newark, New Jersey 07107

Block	Lot	Qual	Address	Certificate #	Amount	BOOK	PAGE
18802	3		462 Bramhall Avenue	2015-1281	\$ 62,500.00	18726	328
18802	4		466 Bramhall Avenue	2015-1282	\$ 62,500.00	18726	330
18802	5		470 Bramhall Avenue	2015-1283	\$ 62,500.00	18726	332
18802	6		474 Bramhall Avenue	2015-1284	\$ 62,500.00	18726	334

CERTIFICATE OF SALE

FOR UNPAID MUNICIPAL LIENS

CERTIFICATE


No. 2015-1281

I, **MAUREEN COSGROVE** COLLECTOR OF TAXES of the taxing district of the
CITY OF JERSEY CITY in the COUNTY of **HUDSON**
and State of New Jersey, do hereby certify that on the **17TH** day of **DECEMBER** **2015** at a public sale of
lands for delinquent municipal liens, pursuant to the Revised Statutes of New Jersey, 1937, title 54, Chapter 5, and the amendments and
supplements thereto

I sold to **CITY OF JERSEY CITY**
whose address is **280 GROVE ST., ROOM# 101, JERSEY CITY, NJ 07302**

for **EIGHTY THREE THOUSAND FOUR HUNDRED SEVENTY** dollars and **54/100** cents, the land in said taxing district described as
Block No. **18802** Lot No. **00003** Qualification Code
and known as **462 BRAMHALL AVE.** **JERSEY CITY, NJ** **07302**, on the tax duplicate
thereof and assessed thereon to

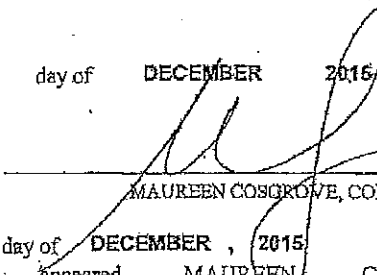
BRAMHALL, L.P. %JOHN WESTERVELT CFO
590 NORTH 7TH ST
NEWARK, NJ 07107.

DESCRIPTION	AMOUNT	INTEREST	TOTAL
 20160429060065340 1/2 04/29/2016 11:09:27 AM MORTGAGESHUN Bk: 18726 Pg: 328 Pamela E. Gardner Hudson County, Register of Deeds Receipt No. 1110692	79,570.75	3,805.79	83,376.54
MISC. 2015			
Tax Account: 341487		Cost of Sale:	180.00
Additional Lots:		Total:	83,476.54

Said sale is subject to redemption on repayment of the amount of sale, together with interest at the rate of
18.0000 per centum per annum from the date of sale, and the costs incurred by the purchaser as defined by
statute. The sale is subject to municipal charges accruing after **DECEMBER 31ST** **2015**;
municipal authority charges accruing after **DECEMBER 31ST** **2015** and assessment installments
not yet due, amounting to **0.00** dollars and interest thereon.

IN WITNESS WHEREOF I have hereunto set my hand and seal this **17TH** day of **DECEMBER** **2015**

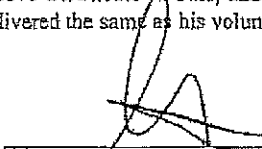
STATE OF NEW JERSEY
COUNTY OF HUDSON


MAUREEN COSGROVE, COLLECTOR OF TAXES

BE IT REMEMBERED, that on this **17TH** day of **DECEMBER**, **2015** before me a
NOTARY PUBLIC of NEW JERSEY, personally appeared **MAUREEN COSGROVE**, the
Collector of Taxes of the taxing district of THE CITY OF JERSEY CITY in the County of
who, I am satisfied, is the individual described herein, and who executed the above Certificate of Sale; and I having made known to him the
contents thereof, he thereupon acknowledged to me that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and
purposes therein expressed.

Prepared By:


MAUREEN COSGROVE, PREPARER


ERNEST R. BORJA, NOTARY PUBLIC

NOTE: NJSA 46:15-3 requires that all signatures appearing on the certificate, those of the Collector, the Notary Public who takes this
acknowledgement, and the preparer shall be printed, typed or stamped underneath such signature. The Notary Public shall also sign.

AUTHORIZATION FOR CANCELLATION OF RECORD BY MUNICIPALITY

The within certificate has been duly paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record. _____

Name of Municipality

BY: _____ ATTEST: _____
Mayor Municipal Clerk

(NJSA 46:18-6 & 54: 5-55)

Seal of Municipality to be affixed

FILED
20160429060656340
04/29/2016 11:00:27 AM
MORTGAGESMUN
NUMBER OF PAGES : 2
ACALLIPARI

No. _____
Tax Sale Certificate

Collector of Taxes

Municipality of _____

County New Jersey

To _____

Entered/Compared/Checked

Received in the Register Office of the County of _____

New Jersey

on the _____

day of _____

A.D. 20 _____

, at _____

o'clock in the _____

noon and _____

Recorded in Book for _____

said _____

County on Pages _____

AUTHORIZATION FOR CANCELLATION OF RECORD BY A PRIVATE CORPORATION

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record. _____

Name of Corporation

BY: _____ ATTEST: _____
President Secretary

Corporate Seal to be affixed

AUTHORIZATION FOR CANCELLATION OF RECORD BY AN INDIVIDUAL

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

The above signature is certified to as genuine.

A Notary Public of New Jersey

Signature of Holder of Certificate

CERTIFICATE OF SALE

FOR UNPAID MUNICIPAL LIENS

CERTIFICATE


No. 2015-1282

I, **MAUREEN COSGROVE**, COLLECTOR OF TAXES of the taxing district of the
CITY OF JERSEY CITY in the COUNTY of HUDSON
and State of New Jersey, do hereby certify that on the **17TH** day of **DECEMBER** **2015**
lands for delinquent municipal liens, pursuant to the Revised Statutes of New Jersey, 1937, Title 54, Chapter 5, and the amendments and
supplements thereto at a public sale of

I sold to **CITY OF JERSEY CITY**
whose address is **280 GROVE ST., ROOM# 101, JERSEY CITY, NJ 07302**

for **EIGHTY THREE THOUSAND FOUR HUNDRED SEVENTY** dollars and **54/100** cents, the land in said taxing district described as
Block No. **18802** Lot No. **00004** Qualification Code **07302**, on the tax duplicate
and known as **466 BRAMHALL AVE.** JERSEY CITY, NJ
thereof and assessed thereon to

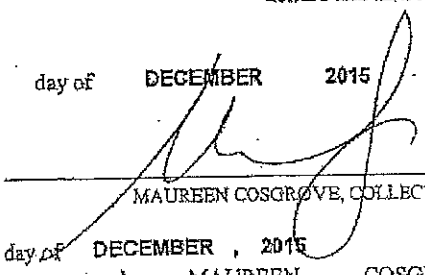
BRAMHALL, L.P. % JOHN WESTERVELT CFO
590 NORTH 7TH ST
NEWARK, NJ 07107.

DESCRIPTION	AMOUNT	INTEREST	TOTAL
 20150429050065350 1/2 04/29/2015 11:00:27 AM MORTGAGESMUN Bk: 18725 Pg: 330 Pamela E. Gardner Hudson County, Register of Deeds Receipt No. 1118692	79,570.75	3,805.79	83,376.54
MISC. 2015			
Tax Account: 341495		Cost of Sale:	160.00
Additional Lots:		Total:	83,476.54

Said sale is subject to redemption on repayment of the amount of sale, together with interest at the rate of
15.0000 per centum per annum from the date of sale, and the costs incurred by the purchaser as defined by
statute. The sale is subject to municipal charges accruing after **DECEMBER 31ST** **2015**
municipal authority charges accruing after **DECEMBER 31ST** **2015** and assessment installments
not yet due, amounting to **0.00** dollars and interest thereon.

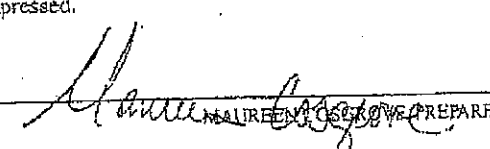
IN WITNESS WHEREOF, I have hereunto set my hand and seal this **17TH** day of **DECEMBER** **2015**

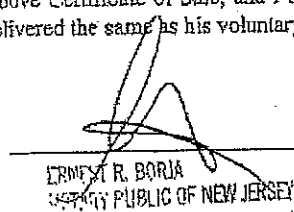
STATE OF NEW JERSEY
COUNTY OF HUDSON


MAUREEN COSGROVE, COLLECTOR OF TAXES

BE IT REMEMBERED, that on this **17TH** day of **DECEMBER**, **2015** before me a
NOTARY PUBLIC of **NEW JERSEY**, personally appeared **MAUREEN COSGROVE**, the
Collector of Taxes of the taxing district of **THE CITY OF JERSEY CITY** in the County of
who, I am satisfied, is the individual described herein, and who executed the above Certificate of Sale; and I having made known to him the
contents thereof, he thereupon acknowledged to me that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and
purposes therein expressed.

Prepared By:


MAUREEN COSGROVE, PREPARER


ERNEST R. BORJA
NOTARY PUBLIC OF NEW JERSEY

NOTARY PUBLIC

NOTE: NJSA 46:15-3 requires that all signatures appearing on the certificate, those of the collector, the Notary Public who takes this
acknowledgement, and the preparer shall be printed, typed or stamped underneath such signature and the name of the person that signed.

AUTHORIZATION FOR CANCELLATION OF RECORD BY MUNICIPALITY

The within certificate has been duly paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record. _____

Name of Municipality

BY: _____
Mayor

ATTEST: _____
Municipal Clerk

(N.J.S.A. 46:18-6 & 54:5-5.5)

FILED
20160429060066350
04/29/2016 11:00 27 AM
MORTGAGESMUN
NUMBER OF PAGES : 2
ACALLIPARI

Seal of Municipality to be affixed

No. _____
Tax Sale Certificate

Collector of Taxes

Municipality of _____

County New Jersey

To _____

Entered/Compared/Checked

Received in the Register Office of the County of _____

New Jersey

on the _____

day of _____

A.D. 20 _____

at _____

o'clock in the _____

noon and _____

Recorded in Book for _____

said _____

County on Pages _____

AUTHORIZATION FOR CANCELLATION OF RECORD BY A PRIVATE CORPORATION

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record. _____

Name of Corporation

BY: _____
President

ATTEST: _____
Secretary

Corporate Seal to be affixed

AUTHORIZATION FOR CANCELLATION OF RECORD BY AN INDIVIDUAL

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

The above signature is certified to as genuine.

A Notary Public of New Jersey

Signature of Holder of Certificate

CERTIFICATE OF SALE

FOR UNPAID MUNICIPAL LIENS

CERTIFICATE


No. 2015-1283

I, **MAUREEN COSGROVE**, COLLECTOR OF TAXES of the taxing district of the
CITY OF JERSEY CITY in the COUNTY of HUDSON
and State of New Jersey, do hereby certify that on the 17TH day of DECEMBER, 2015
lands for delinquent municipal liens, pursuant to the Revised Statutes of New Jersey, 1937, Title 54, Chapter 5, and the amendments and
supplements thereto at a public sale of

I sold to **CITY OF JERSEY CITY**
whose address is **280 GROVE ST., ROOM# 101, JERSEY CITY, NJ 07302**

for **EIGHTY THREE THOUSAND FOUR HUNDRED SEVENTY** dollars and **54/100** cents, the land in said taxing district described as
Block No. **18802** Lot No. **00005** Qualification Code
and known as **470 BRAMHALL AVE.** JERSEY CITY, NJ **07302**, on the tax duplicate
thereof and assessed thereon to

BRAMHALL, L.P. %JOHN WESTERVELT CFO
590 NORTH 7TH ST
NEWARK, NJ 07107.

DESCRIPTION	AMOUNT	INTEREST	TOTAL
 2016042906066350 1/2 04/29/2016 11:00:27 AM MORTGAGESMUN Bk: 18726 Pg: 332 Pamela E. Gardner Hudson County, Register of Deeds Misc. 2015 Receipt No. 1118692	79,570.75	3,805.79	83,376.54
Tax Account: 341453		Cost of Sale:	100.00
Additional Lots:		Total:	83,476.54

Said sale is subject to redemption on repayment of the amount of sale, together with interest at the rate of
18.0000 per centum per annum from the date of sale, and the costs incurred by the purchaser as defined by
statute. The sale is subject to municipal charges accruing after **DECEMBER 31ST** **2015**
municipal authority charges accruing after **DECEMBER 31ST** **2015** and assessment installments
not yet due, amounting to **0.00** dollars and interest thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 17TH day of DECEMBER, 2015

STATE OF NEW JERSEY
COUNTY OF HUDSON

SEAL

MAUREEN COSGROVE COLLECTOR OF TAXES

BE IT REMEMBERED, that on this 17TH day of DECEMBER, 2015 before me a
NOTARY PUBLIC of NEW JERSEY, personally appeared **MAUREEN COSGROVE**, the
Collector of Taxes of the taxing district of THE CITY OF JERSEY CITY in the County of
who, I am satisfied, is the individual described herein, and who executed the above Certificate of Sale; and I having made known to him the
contents thereof, he thereupon acknowledged to me that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and
purposes therein expressed.

Prepared By: **Maureen Cosgrove**
MAUREEN COSGROVE, PREPARER

ERNEST R. BURON
NOTARY PUBLIC OF NEW JERSEY, NOTARY PUBLIC

NOTE: NJSA 46:15-3 requires that all signatures appearing on the certificate, those of the collector, the Notary Public who takes this
acknowledgement, and the preparer shall be printed, typed or stamped underneath such signature the name of the person that signed.
My Commission Expires Jan. 11, 2019

AUTHORIZATION FOR CANCELLATION OF RECORD BY MUNICIPALITY

The within certificate has been duly paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

Name of Municipality

BY: _____

Mayer

ATTEST: _____

Municipal Clerk

(NJSA 46:18-6 & 54: 5-55)

FILED
20160429060056366
04/29/2016 11:00:27 AM
MORTGAGESMUN
NUMBER OF PAGES : 2
ACALLIPART

Seal of Municipality to be affixed

No. _____

Tax Sale Certificate

Collector of Taxes

Municipality of _____

County, New Jersey

To _____

Entered/Compared/Checked

Received in the Register Office of the County of _____

New Jersey

on the _____

day of _____

A.D. 20 _____

, at _____

o'clock in the _____

noon and _____

Recorded in Book for _____

said _____

County on Pages _____

AUTHORIZATION FOR CANCELLATION OF RECORD BY A PRIVATE CORPORATION

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

Name of Corporation

BY: _____

President

ATTEST: _____

Secretary

Corporate Seal to be affixed

AUTHORIZATION FOR CANCELLATION OF RECORD BY AN INDIVIDUAL

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

The above signature is certified to as genuine.

A Notary Public of New Jersey

Signature of Holder of Certificate

CERTIFICATE OF SALE

FOR UNPAID MUNICIPAL LIENS

CERTIFICATE


No. 2015-1284

I, **MAUREEN COSGROVE**, COLLECTOR OF TAXES of the taxing district of the **CITY OF JERSEY CITY** in the COUNTY of **HUDSON** and State of New Jersey, do hereby certify that on the **17TH** day of **DECEMBER**, **2015** at a public sale of lands for delinquent municipal liens, pursuant to the Revised Statutes of New Jersey, 1937, Title 54, Chapter 5, and the amendments and supplements thereto

I sold to **CITY OF JERSEY CITY**
whose address is **280 GROVE ST., ROOM# 101, JERSEY CITY, NJ 07302**

for **EIGHTY THREE THOUSAND FOUR HUNDRED SEVENTY** dollars and **54/100** cents, the land in said taxing district described as
Block No. **18802** Lot No. **00006** Qualification Code
and known as **474 BRAMHALL AVE.** **JERSEY CITY, NJ** **07302**, on the tax duplicate
thereof and assessed thereon to

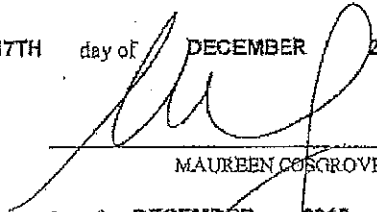
BRAMHALL, L.P. % JOHN WESTERVELT CFO
590 NORTH 7TH ST
NEWARK, NJ 07107.

DESCRIPTION	AMOUNT	INTEREST	TOTAL
 20160429060056370 1/2 04/29/2016 11:00:27 AM MORTGAGESMUN Bk. 18726 Pg. 334 Pamela E. Gardner Hudson County, Register of Deeds Receipt No. 1118692	79,570.75	3,805.79	83,376.54
MISC. 2015			
Tax Account: 341461		Cost of Sale: 100.00	
Additional Lots:		Total: 83,476.54	

Said sale is subject to redemption on repayment of the amount of sale, together with interest at the rate of **18.0000** per centum per annum from the date of sale, and the costs incurred by the purchaser as defined by statute. The sale is subject to municipal charges accruing after **DECEMBER 31ST**, **2015**; municipal authority charges accruing after **DECEMBER 31ST**, **2015** and assessment installments not yet due, amounting to **0.00** dollars and interest thereon.

IN WITNESS WHEREOF I have hereunto set my hand and seal this **17TH** day of **DECEMBER**, **2015**

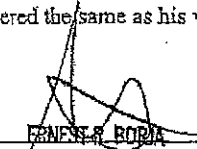
STATE OF NEW JERSEY
COUNTY OF HUDSON


MAUREEN COSGROVE, COLLECTOR OF TAXES

BE IT REMEMBERED, that on this **17TH** day of **DECEMBER**, **2015** before me a NOTARY PUBLIC of **NEW JERSEY**, personally appeared **MAUREEN COSGROVE**, the Collector of Taxes of the taxing district of **THE CITY OF JERSEY CITY** in the County of **HUDSON**, who, I am satisfied, is the individual described herein, and who executed the above Certificate of Sale, and I having made known to him the contents thereof, he thereupon acknowledged to me that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

Prepared By:


MAUREEN COSGROVE, PREPARER


NOTARY PUBLIC OF NEW JERSEY /
ID# 2392639

NOTARY PUBLIC

NOTE: NJSA 46:15-3 requires that all signatures appearing on the certificate, (those of the Collector of Taxes and the preparer) shall be printed, typed or stamped underneath such signature the name of the person that signed.

AUTHORIZATION FOR CANCELLATION OF RECORD BY MUNICIPALITY

The within certificate has been duly paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

Name of Municipality

BY: _____ ATTEST: _____
Mayor Municipal Clerk

(NJSA 46:18-6 & 54: 5-55)

FILED
20160429060066370
04/29/2016 11:00:27 AM
MORTGAGESMUN
NUMBER OF PAGES : 2
ACOLLIPARI

Seal of Municipality to be affixed

No. _____
Tax Sale Certificate

Collector of Taxes

Municipality of _____

County, New Jersey

To _____

Entered/Completed/Canceled

Received in the Register Office of the County of _____

New Jersey

on the _____ day of _____

A.D. 20 _____ at _____ o'clock in the _____ noon and _____ said

Recorded in Book for _____

County on Pages _____

AUTHORIZATION FOR CANCELLATION OF RECORD BY A PRIVATE CORPORATION

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

Name of Corporation

BY: _____ ATTEST: _____
President Secretary

Corporate Seal to be affixed

AUTHORIZATION FOR CANCELLATION OF RECORD BY AN INDIVIDUAL

The within certificate has been fully paid and satisfied and the County Recording Officer is hereby authorized to cancel the same of record.

The above signature is certified to as genuine.

A Notary Public of New Jersey

Signature of Holder of Certificate

CITY OF JERSEY
DEPARTMENT OF ADMINISTRATION
DIVISION OF TAX COLLECTION
280 GROVE STREET ROOM 101
JERSEY CITY, N.J. 07302
PHONE # 201-547-5125 FAX # 201-547-4254

DATE 4/11/14

THIS IS TO CERTIFY THAT REAL ESTATE TAXES ON

BLOCK 18802 LOT 7

ALSO KNOWN AS 478 Bramhall Ave.

JERSEY CITY, NJ. ARE AS FOLLOWS

P PAID TO DATE


 OPEN TAXES

 LIEN

THIS CERTIFICATION IS ISSUED FOR ANY LEGAL INTENT AND PURPOSE IT MAY SERVE

C. DeMuzio
FOR THE JERSEY CITY TAX COLLECTOR

I verify that this information accurately reflects the municipal tax record	
Tax Collector	<u>Jersey City</u>
Municipality	<u>Hudson</u>
County	<u>Hudson</u>



CITY OF JERSEY CITY
DEPARTMENT OF ADMINISTRATION
DIVISION OF TAX COLLECTION
280 GROVE STREET ROOM 101
JERSEY CITY, N.J. 07302
PHONE # 201-547-5125 FAX # 201-547-4254

RECEIVED
APR 20 2016

BY:

DATE 4/11/16

THIS IS TO CERTIFY THAT REAL ESTATE TAXES ON

BLOCK 24001 LOT 71 ALSO

KNOWN AS 160-162 Bidwell Ave
JERSEY CITY, NJ. ARE AS FOLLOWS

____ PAID TO DATE

____ OPEN TAXES


C TAX EXEMPT

____ LIEN

THIS CERTIFICATION IS ISSUE FOR ANY LEGAL INTENT AND PURPOSE IT MAY SERVE

[Signature]
FOR THE JERSEY CITY TAX COLLECTOR

I verify that the information accurately reflects the municipal tax record	
Tax Collector	<u>[Signature]</u>
Municipality:	<u>Jersey City</u>
County:	<u>Hudson</u>



Help

Account # 593870 Block/Lot 24001 / 71 /

Owner Name CARMEL HOUSE, LP

Address 1160 RAYMOND BLVD.

City/State/Zip NEWARK, NJ 07102

P. Loc 160-162 BIDWELL AVE.

Link Code

ed. Amt. .00 Sp. Tax Cd

Acct Date 1st Pay Date 12/13/2011

Principal	.00
Interest	.00
Unroll Interest	.00
Total Due	.00

Interest thru Date 04/11/2016

New Account# New Blk/Lot/Qual < Prev Next > View Summary

☐ Tax Bills
 ☒ Add Asses. Bills
 ☒ Misc. Bills
 ☐ Payments
 ☐ Int. Payments
 ☐ Billing Adj.
 ☐ Payment Adj.

Yr	Q	Trans/Due Date	Description	Bill/Paid/Adj Amt	Open Balance	Days	Interest	Check#	Dr#	Seq
011	4	11/01/2011	SEWER BILL	289.35						
011	4	12/13/2011	SEWER PAYMENT	-289.35				CK	1	
011	4	12/13/2011	TAX ADV CHARGE PAYMENT	-33.00				CK	1	
011	4	11/01/2011	WATER BILL	1360.88						
011	4	12/13/2011	WATER PAYMENT	-1360.88				CK	1	

*NOT A Billable
account*

Checklist Item No. 18

DISCLOSURE REQUIREMENTS

18. Please identify the names, business addresses and phone numbers of all individuals or entities with an ownership or other beneficial interest in the Applicant and the amount and nature of that interest (e.g. shareholder, general partner, limited partner, etc.). If the Application is a for-profit corporation with more than 100 shareholders or is traded on a public stock exchange, ownership interest shall mean greater than 1% ownership or beneficial interest in any single stock class.

If the property, which is the subject of the application, is owned or leased by a CORPORATION, list the principal stockholders and the percentage of stock owned by each. Note: where the principal officers or stockholders consist of another corporation(s), trustee(s), partnership(s) or other similar entities, further disclosure shall be required which discloses the identity of the individual(s) (natural persons) having the ultimate ownership interest in the aforementioned entity.

Corporation Name
Names, Address and Office Percentage of Stock

If the property which is the subject of the application is owned or leased by a TRUSTEE, list the beneficiaries of the trust and the percentage of interest held by each. [Note: where the beneficiary(ies) consist of corporation(s), other trust(s), partnership(s) or other similar entities, further disclosure shall be required which discloses the identity of the individual(s) (natural persons) having the ultimate ownership interest in the aforementioned entity.]

Trust Name
Name, Address and Office Percentage of Stock

If the property which is the subject of the application is owned or leased by a PARTNERSHIP or LIMITED PARTNERSHIP, list the principals of the partnership, including general and limited partners, and the percentage of ownership held by each. [Note: where the partners(s) consist of another partnership(s), corporation(s), trust(s), or other similar entities, further disclosure shall be required which discloses the identity of the individual(s) (natural persons) having the ultimate ownership interest in the aforementioned entity.]

BRAMHALL URBAN RENEWAL, LP

Partnership of Limited Partnership Name
Name, Address Percentage of Ownership

See attached	

Bramhall Urban Renewal L.P.
Effective June 26, 2015

Name and Business Addresses	Capital Contribution
-----------------------------	----------------------

General Partner

Pat Bram Holding Company, Inc. 590 North 7 th Street Newark, NJ 07107	.05%
--	------

Special Limited Partner

Domus Corporation 590 North 7 th Street Newark, NJ 07107	.05%
---	------

Limited Partner

Domus Corporation 590 North 7 th Street Newark, NJ 07107	99%
---	-----

Pat Bram Holding Company, Inc.

Directors

(Names and Business Addresses)

Reverend Monsignor Ronald Rozniak
One Passaic Street
Ridgewood, NJ 07052

Henry Amoroso, Esquire
One Boland Drive
West Orange, NJ 07052

Officers

Mr. John Westervelt, President/Treasurer
590 North 7th Street
Newark, NJ 07107

Ms. Elizabeth McClendon, Vice President
590 North 7th Street
Newark, NJ 07107

Brother Benedict Lo Balbo, Secretary
590 North 7th Street
Newark, NJ 07107

Domus Corporation

Name and Business Addresses

Trustees

Reverend Monsignor Ronald Rozniak, Chairperson
One Passaic Street
Ridgewood, NJ 07450

Henry Amoroso, Esquire
One Boland Drive
West Orange, NJ 07052

Richard Malagiere
250 Moonachie Road, Suite #102
Moonachie, NJ 07074

Mr. John Westervelt
590 North 7th Street
Newark, NJ 07107

J. Kenneth Pagano
1060 Broad Street
Newark, NJ 07102

Officers

Mr. John Westervelt, President/Treasurer
590 North 7th Street
Newark, NJ 07107

Ms. Elizabeth McClendon, Vice President
590 North 7th Street
Newark, NJ 07107

Brother Benedict Lo Balbo, Secretary
590 North 7th Street
Newark, NJ 07107

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Checklist Item Nos. 21, 22 & 28

CERTIFICATION

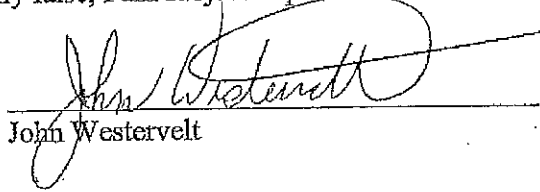
John Westervelt, of full age, hereby certifies as follows:

1. I am the President and Treasurer of Domus Corporation, which is the Limited Partner and a Special Limited Partner of Bramhall Urban Renewal, L.P., as well as President and Treasurer of Pat Bram Holding Co., Inc., the General Partner of Bramhall Urban Renewal, L.P. In that capacity, I am fully familiar with the facts set forth herein.

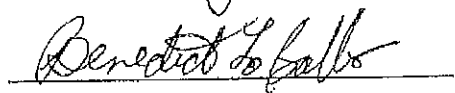
2. The Project, which is located at 462, 466, 470, 474 & 478 Bramhall Avenue in Jersey City, designated as Block 18802, Lots 3, 4, 5, 6 & 7 on the Official Tax Maps of the City of Jersey City, comply the requirements of the laws of the State of New Jersey and City of Jersey City.

3. Diligent inquiry has been made to confirm the accuracy of all information contained in the application. Said information is true and correct.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.


John Westervelt

Sworn to and subscribed before me
This 24 day of June, 2016.



BENEDICT LOBALBO
NOTARY PUBLIC STATE OF NEW JERSEY
No. 2379964
QUALIFIED IN UNION COUNTY
COMMISSION EXPIRES: NOVEMBER 13, 2018

Checklist Item No. 23

TIER 5A - FINANCIAL AGREEMENT (UP TO 30 YEAR)

Rev. 12-16-13; 12/15/15

Long Term Tax Exemption

N.J.S.A. 40A:20-1, et seq.

(Affordable Housing)

Re: 462, 466, 470, 474 & 478 Bramhall Avenue
Approximately 0.8056 Acres
Block 18802, Lots 3, 4, 5, 6 & 7

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____ day of ___, 2016 by and between BRAMHALL URBAN RENEWAL, LP, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 590 North 7th Street, Newark, New Jersey 07107 [Entity], and the CITY OF JERSEY CITY, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Owner pursuant to Deed dated August 14, 1997, of certain property designated as Block 18802, Lots 3, 4, 5, 6 & 7, more commonly known by the street address of 462, 466, 470, 474 & 478 Bramhall Avenue, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement and as depicted on Sheet 197 of the Official Tax Map of the City of Jersey City, a copy of which is attached hereto as Exhibit 1A; and

WHEREAS, the Entity created approximately eighty-five (85) residential rental units affordable to low income families within five (5) four-story buildings [Project]; and

WHEREAS, by the adoption of Ordinance 99-159 on October 27, 1999 the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only \$_____ whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$_____; *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*
2. as required by ordinance 13-088, the Entity shall pay the City the sum of \$_____ on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$_____ as an affordable housing contribution as required by the ordinance; *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed. Project consists of 87 existing 100% low-income rental residential units.*
3. it is expected that the Project will create approximately _____ new construction jobs and _____ new permanent full time jobs; *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants; *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*
5. the Project will further the objectives of the _____ [Redevelopment Plan or _____ Urban Enterprise Zone], and will include the [remediation or development] of vacant property; *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and *N/A. This is an*

existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*
3. have a positive impact on the surrounding area. *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2002-005, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in this Agreement in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.
- iii. Annual Gross Revenue Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to garbage removal and insurance charges, whether paid for by the landlord, tenant or a third party, but deductions shall be allowed for gas, electric, water and sewer, and other utilities costs, whether paid for by the landlord, tenant or a third party, up to a total of \$260,000 per annum.
- iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.
- v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement

of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of this Agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Bramhall Urban Renewal, LP, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 02-003, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status

and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the sum of \$73,672.35 in the year beginning June 1, 2016 and ending May 31, 2017 and increasing to \$134,213.04 in the year beginning June 1, 2030 and ending May 31, 2031, which sum is equal to the estimated Annual Service Charge. The Minimum Annual Service Charge will be increased annually, using the Entity's projected Annual Gross Revenue, less the allowable utility deduction, as follows:

Year	Begins	Ends	Minimum ASC
16	June 1, 2016	May 31, 2017	\$73,672.35
17	June 1, 2017	May 31, 2018	\$77,225.70
18	June 1, 2018	May 31, 2019	\$80,885.70
19	June 1, 2019	May 31, 2020	\$84,655.50
20	June 1, 2020	May 31, 2021	\$88,538.40
21	June 1, 2021	May 31, 2022	\$92,537.70
22	June 1, 2022	May 31, 2023	\$96,657.00
23	June 1, 2023	May 31, 2024	\$100,899.90
24	June 1, 2024	May 31, 2025	\$105,270.15
25	June 1, 2025	May 31, 2026	\$109,771.35
26	June 1, 2026	May 31, 2027	\$114,407.70
27	June 1, 2027	May 31, 2028	\$119,183.10
28	June 1, 2028	May 31, 2029	\$124,101.75
29	June 1, 2029	May 31, 2030	\$129,168.00
30	June 1, 2030	May 31, 2031	\$134,213.04

The Minimum Annual Service Charge set forth above shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-

operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xix. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be **excluded** from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the

clearing of title. If the Service Charge is a percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 18802, Lots 3, 4, 5, 6 & 7, more commonly known by the street address 462, 466, 470, 474 & 478 Bramhall Avenue, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto. *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed. For the City's records, however, the metes and bounds description of the property has been attached hereto as Exhibit 1.*

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5. *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed. For the City's records, however, a copy of the Entity's Certificate of Formation has been attached hereto as Exhibit 4.*

Section 2.3 Improvements to be Constructed

N/A. This is an existing Project and no new construction is proposed.

Section 2.4 Construction Schedule

N/A. This is an existing Project and no new construction is proposed.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is constructed. The Entity represents that the Improvements are used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 35 years from the date of the adoption of Ordinance 99-159 on October 27, 1999, which approved the tax exemption, or 30 years from the original date of Substantial Completion of the Project. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law and the Project is restricted to, or occupied by and rented to low and moderate income families at rents affordable to such families.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

- i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to [5 - 8%] of the Annual Gross Revenue of residential units and 10% of all other Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.
- ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.
- iii. The Minimum Annual Service Charge shall be due on those dates when real estate tax payments are due, as set forth in Section 4.4 hereof. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month _____. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b). The Staged Adjustments established in the November 23, 1999 Financial Agreement remain unchanged by this Agreement and will be applied as follows:

- i. Beginning on the first day of the sixteenth (16th) year following Substantial Completion--i.e., June 1, 2016--until the last day of the twenty-first (21st) year--i.e., May 31, 2021--an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- ii. Beginning on the first day of the twenty-second (22nd) year following the Substantial Completion until the last day of the twenty-seventh (27th) year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- iii. Beginning on the first day of the twenty-eighth (28th) year following Substantial Completion until the last day of the twenty-eighth (28th) year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.
- iv. Beginning on the first day of the twenty-ninth (29th) year following Substantial Completion through the date the tax exemption expires at the end of the thirtieth (30th) year, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.
- v. Beginning in the thirty-first (31st) year, the full amount of the taxes on the assessed value of the land and Improvements will be due and owing.

Section 4.3 Land Tax

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax

Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as half of one (0.5%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Living Wage Mandate (Projects with construction costs exceeding \$25 million)

The Entity also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1). *N/A. This is an existing Project subject to an existing Financial Agreement, dated November 23, 1999, and no new construction is proposed.*

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. N/A. This is an existing Project and no new construction is proposed.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be

advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in

correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented; but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual

Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appears, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project, as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

Bramhall Urban Renewal, LP

590 North 7th Street
Newark, New Jersey 07107
Attn: John Westervelt

with a copy sent to:

Paul M. Weiner, Esq.
Weiner Lesniak LLP
629 Parsippany Road
P.O. Box 0438
Parsippany, New Jersey 07054-0438

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or

condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

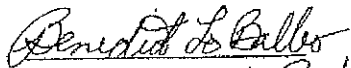
1. Metes and Bounds description of the Project;
- 1A. Sheet 197 of Official Tax Map of the City of Jersey City;
2. Ordinance of the City authorizing the execution of this Agreement [To Come from City];
3. N/A. Reserved;
4. Certificate of Formation of the Entity;
5. N/A. Reserved;
6. Financial Plan;
7. [See Exhibit 6, above, re: Projected Rents];
8. N/A. Reserved;
9. N/A. Reserved;
10. Entity's Deed.

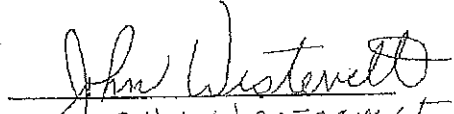
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IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

BRAMHALL URBAN RENEWAL, LP


Name: BENEDICT LO BALBO
SECRETARY


Name: JOHN WESTERVELT
Title: PRESIDENT/TREASURER

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT KAKOLESKI
ACTING BUSINESS ADMINISTRATOR

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EXHIBITS FOR FINANCIAL AGREEMENT

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. N/A. Reserved;
4. Certificate of Formation of the Entity;
5. N/A. Reserved;
6. Financial Plan;
7. [See Exhibit 6];
8. N/A. Reserved;
9. N/A. Reserved; and
10. Entity's Deed.

Exhibit 1

1157 AMERICAN

Commitment No. 133 GLA 173244N

SCHEDULE C

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City County of Hudson State of New Jersey:

Parcel 1, Lots 4L, 4M and 4N:

TRACT ONE:

BEGINNING at a point in the northeasterly line of Bramhall Avenue, distant 172.72 feet, northwesterly from the corner formed by the intersection of the said northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue; and from said point running

- 1) northeasterly 112.43 feet to a point, which point is distant northwesterly 150.41 feet from the northwesterly side of Arlington Avenue; and thence returning to the point or place of beginning, and from said point running thence
- 2) Northwesterly along the said northeasterly line of Bramhall Avenue 56 feet to a point; thence
- 3) Northeasterly and parallel with the first course 112.90 feet to a point; and thence
- 4) Southeasterly 56 feet to the end of the first course run.

BEGINNING at a point distant 112.43 feet northeasterly from the northeasterly line of Bramhall Avenue, which point of beginning is also distant 150.41 feet northwesterly from the northwesterly line of Arlington Avenue, and which point of beginning is also the northwest corner of the tract conveyed by the Highland Avenue Construction Co., a Corporation of New Jersey, to the Hud-Ber Realities, a Corporation of New Jersey, by Deed dated April 14, 1931 and recorded on April 16, 1931, in Book 1764 of deeds for Hudson County, on Page 281; thence running

- 1) Northeasterly 40 feet to a point; which point is distant 142.41 feet northwesterly from the northwesterly line of Arlington Avenue; thence running
- 2) Northwesterly at right angles, or nearly so, to the first course 56 feet to a point, which point is distant 152.90 feet northeasterly from the northeasterly line of Bramhall Avenue; thence
- 3) Southwesterly 40 feet to a point; which point is the northwest corner of the tract conveyed to the Hud-Ber Realities, a Corporation of the New Jersey, by Deed dated April 14th 1931 as aforesaid, which point is also distant 122.90 feet northeasterly from the northeasterly line of Bramhall Avenue; and thence
- 4) Southeasterly along the rear line of premises conveyed to Hud-Ber Realities, a Corporation of New Jersey by Deed Dated April 14, 1931 as aforesaid, 56 feet to the point or place of BEGINNING.

(Continued)

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FIRST AMERICAN

Commitment No. 133 GLA 173244N

SCHEDULE C
(continued)

TRACT TWO:

BEGINNING at the corner formed by the intersection of the northwesterly side of Arlington Avenue with the northeasterly side of Bramhall Avenue; and from said point running

- 1) Northwesterly along the said northeasterly line of Bramhall Avenue 60.97 feet to a point; thence
- 2) Northeasterly and at right angles to Bramhall Avenue 111.49 feet to a point; thence
- 3) Southeasterly parallel with Bramhall Avenue 38.66 feet to the said northwesterly side of Arlington Avenue; and thence
- 4) Southwesterly along the said northwesterly side of Arlington Avenue 113.53 feet to the point or place of BEGINNING.

TRACT THREE:


BEGINNING at a point in the northeasterly line of Bramhall Avenue, distant northwesterly 228.72 feet from the corner formed by the intersection of the said northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue and from said; point running

- 1) Northeasterly 112.90 feet to a point, which point is distant northwesterly 206.41 feet from the said northwesterly side of Arlington Avenue and thence returning to the point or place of beginning, and from said point; running thence
- 2) Northwesterly along the said northeasterly line of Bramhall Avenue 55.80 feet to a point; thence
- 3) Northeasterly and parallel with the first course run 113.37 feet to a point; thence
- 4) Southeasterly 55.80 feet to the end of the first course run.

BEGINNING at a point distant 112.90 feet northeasterly from the northeasterly line of Bramhall Avenue, which point of beginning is also distant 206.41 feet northwesterly from the northwesterly line of Arlington Avenue, which point of beginning is also the northeast corner of a tract conveyed by William V. O'Driscoll, Sheriff of Hudson County to Highland Avenue Construction Co., a Corporation of New Jersey, by Deed dated February 6, 1930 and recorded on February 8, 1930 in Book 1734 of Deeds for Hudson County on Page 330; thence running

- 1) Northeasterly 40 feet to a point which point is distant 193.41 feet northwesterly from the northwesterly line of Arlington Avenue; thence running
- 2) Northwesterly at right angles or nearly so to the first course 55.00 feet to a point, which point is distant 153.37 feet northeasterly from the north easterly line of

(Continued)



FIRST AMERICAN

Commitment No. 133 GLA 173244N

SCHEDULE C
(continued)

Bramhall Avenue; thence running

3) Southwesterly 40 feet to a point, which point is the northwest corner of the tract conveyed to the Highland Avenue Construction Co., a Corporation of New Jersey, by Deed dated February 6, 1930, as aforesaid, which point is also distant 113.37 feet northeasterly from the northeasterly line of Bramhall Avenue; and thence running

4) Southeasterly along the rear of premises conveyed to the Highland Avenue Construction Co., a Corporation of New Jersey, by Deed dated February 6, 1930, as aforesaid 55.80 feet to the point or place of BEGINNING.

Parcel 2, Lots 4H and 4P:

FIRST TRACT:

BEGINNING at a point in the northeasterly line of Bramhall Avenue, distant 116.72 feet northwesterly from the corner formed by the intersection of the said northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue, and from said point running thence

1) Northeasterly and at right angles to Bramhall Avenue, 111.96 feet to a point, which point is distant northwesterly 94.41 feet from the northwesterly line of Arlington Avenue aforesaid and thence returning to the point or place of beginning and from said point; running thence

2) Northwesterly along the said northeasterly line of Bramhall Avenue, 56 feet to a point; thence

3) Northeasterly and at right angles to the northeasterly line of Bramhall Avenue 112.43 feet to the point; thence

4) Southeasterly 56 feet to the end of the first course run.

SECOND TRACT:

BEGINNING at a point in the northeasterly line of Bramhall Avenue, distant northwesterly 60.97 feet from the corner formed by the intersection of the said northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue and from said point; running thence

1) Northeasterly at right angles to Bramhall Avenue 111.49 feet to a point, which point is distant 38.66 feet from the said northwesterly line of Arlington Avenue; and thence returning to the point or place of beginning and from said point; running thence

2) Northwesterly along the said northeasterly line of Bramhall Avenue 55.75 feet to a point; and thence running

Northeasterly and at right angles to Bramhall Avenue 111.96 feet to a point; thence

(Continued)

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FIRST AMERICAN

Commitment No. 133 GLA 173244N

SCHEDULE C
(continued)

4) Southeasterly 55.75 feet to the end of the first course run.

Parcel I, Tracts I, II and III and Parcel II, First Tract and Second Tract are, together described as follows:

BEGINNING at the point of intersection of the northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue; thence

(1) Along said line of Bramhall Avenue, North 39 degrees West, 284.52 feet to a point; thence

(2) North 51 degrees 00 minutes East, 153.37 feet to a point; thence

(3) South 38 degrees 31 minutes 05 seconds East, 111.80 feet to a point; thence

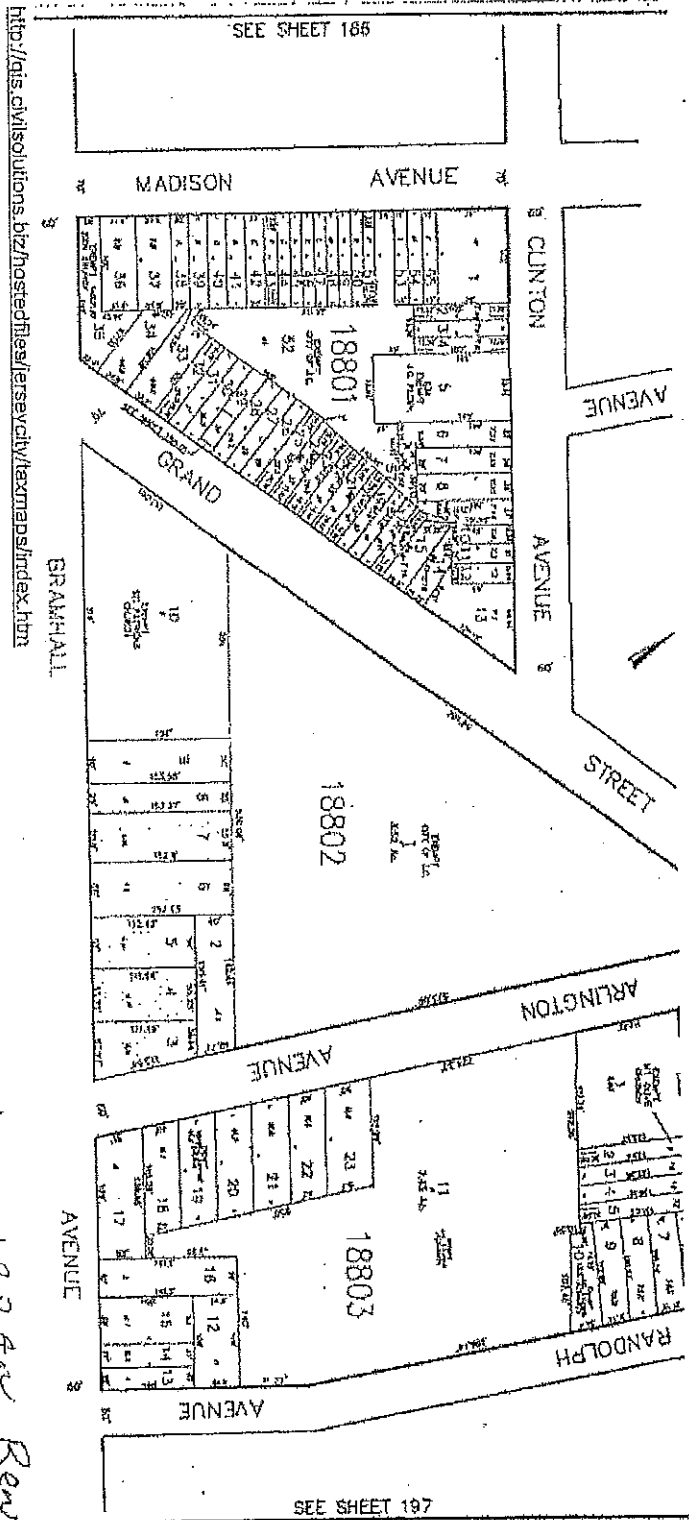
(4) South 51 degrees 00 minutes West, 40.00 feet to a point; thence

(5) South 38 degrees 31 minutes 05 seconds East, 150.41 feet to a point in the northwesterly line of Arlington Avenue; thence

(6) Along said line, South 39 degrees 39 minutes West, 113.39 feet to the point and place of BEGINNING.

(GC)

Exhibit 1A



BAMFALC URBAN RenewAL

Exhibit 2

Ordinance to come From the City

Exhibit 3

N/A. RESERVED

Exhibit 4

FILED

NOV 9 1999

Amc

**SECOND AMENDED CERTIFICATE OF LIMITED PARTNERSHIP
OF BRAMHALL URBAN RENEWAL L.P.**

State Treasurer

THIS SECOND AMENDED CERTIFICATE OF LIMITED PARTNERSHIP dated November 1, 1999 of Bramhall Urban Renewal L.P. by and between Saint Patrick Housing Corporation, a New Jersey not for profit corporation, as the withdrawing general partner, and Pat Bram Holding Company, Inc., a New Jersey corporation, with its address at 6 Chapel Avenue, Jersey City, New Jersey 07305, as the successor general partner.

WITNESSETH:

WHEREAS, the Certificate of Limited Partnership was filed in the office of the Secretary of State of New Jersey on August 11, 1997, and thereafter amended to change the name of the limited partnership to Bramhall Urban Renewal L.P. by and Amended Certificate of Limited Partnership, filed with the Department of Treasury of the State of New Jersey on March 31, 1998; and

WHEREAS, this second Amended Certificate of Limited Partnership of Bramhall Urban Renewal L.P. is intended to further amend the Certificate of Limited Partnership for the purpose of withdrawing Saint Patrick Housing Corporation, a New Jersey not for profit corporation, as the general partner of Bramhall Urban Renewal L.P. and substituting in the place and stead of Saint Patrick Housing Corporation, Pat Bram Holding Company, Inc., a New Jersey corporation, as the general partner of Bramhall Urban Renewal L.P.

NOW THEREFORE, the undersigned do hereby certify by this second Amended Certificate of Limited Partnership, anything to the contrary heretofore stated in any prior certificate(s) of limited partnership notwithstanding, that St. Patrick Housing Corporation hereby withdraws from any participation as general partner of Bramhall Urban Renewal L.P. discharging and relieving Bramhall Urban Renewal L.P. of and from any liabilities or obligations to Saint Patrick Housing Corporation arising prior to the date hereof, except for any contractual obligations by their terms continuing irrespective of the termination of Saint Patrick Housing Corporation as such general partner.

From and after the date hereof Pat Bram Holding Company, Inc. shall be the general partner of Bramhall Urban Renewal, L.P.

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All right title and interests of Saint Patrick Housing Corporation as general partner as hereby assigned to Pat Bram Holding Company, Inc., which from and after the date hereof shall be the general partner of Bramhall Urban Renewal L.P., to have such rights, obligations and interests as shall be provided in the Agreement of Limited Partnership of Bramhall Urban Renewal L.P., as the same may be amended from time to time.

IN WITNESS WHEREOF, this Second Amended Certificate of Limited Partnership on the day and year first above written.

Withdrawing General Partner:

Saint Patrick Housing Corporation

By Eugene P. Squeo
Eugene P. Squeo, President

Successor General Partner:

Pat Bram Holding Company, Inc.

By Eugene P. Squeo
Eugene P. Squeo, President

CERTIFICATE OF LIMITED PARTNERSHIP
 of
BRANCHALL, L.P.

AS 11 79

LOHNE E. HOOKE
 Secretary of State

The undersigned, desiring to form a Limited Partnership under the Uniform Limited Partnership Act of the State of New Jersey, make this certificate for that purpose.

1. Name. The name of the Partnership shall be "Branchall, L.P."

2. Purpose.

(a) The purpose for which the Partnership is formed is to initiate and conduct projects for the clearance, replanning, development and redevelopment of blighted areas or areas adjacent thereto or State Investment blighted areas in municipalities and, when so authorized by financial agreement with a municipality pursuant to this act or the act to which this is a supplement, to acquire, plan, develop, construct, alter, maintain or operate housing, business, industrial, commercial, cultural or recreational projects or any combination of any two or more such types of improvement in a single project, under such conditions as to use, ownership, management and control as shall be regulated pursuant to the laws of the State of New Jersey.

(b) The parties certify that so long as the Partnership is obligated under a financial agreement with the City of Jersey City, it shall engage in no business other than the ownership, development, redevelopment at Branchall Avenue in Jersey City, New Jersey.

(c) The parties hereby declare the Partnership has been organized to serve a public purpose, that its operations shall be directed to providing and making possible the development of blighted areas and the acquisition, management and operation of a project in accordance with the Urban Renewal Law, and that it shall be subject to regulation by the City of Jersey City and shall limit its profits for as long as it remains the owner of the project.

(d) The Partnership shall only transfer the project or project units undertaken by it in accordance with the terms of the Urban Renewal Law and as may be provided in a financial agreement entered into by the Partnership with the City of Jersey City.

3. Location. The location of the Partnership's principal place of business is 6 Chapel Avenue, Jersey City, Hudson County, New Jersey 07305.

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 528 706

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4. Registered Agent: Francis B. Schiller, c/o Schiller, Brown & Hartnett, 5 Chapel Avenue, Jersey City, New Jersey 07305.

5. Members and Designation. The names and places of residence of the members, and their designation as General or Limited Partners are:

St. Patrick Housing Corporation, General Partner
a New Jersey, Non-Profit Corporation,
5 Chapel Avenue, Jersey City, NJ 07305

St. Patrick Housing Corporation, Limited Partner
a New Jersey, Non-Profit Corporation,
5 Chapel Avenue, Jersey City, NJ 07305

Related Capital Company, 525 Madison Avenue, New York, New York 10022-1801 Limited Partner

6. Term. The term of which the Partnership is to exist is indefinite.

7. Initial Contributions of Limited Partners. The amount of cash and description of the agreed value of the other property contributed by each Limited Partner are:

St. Patrick Housing Corporation - property at
462, 466, 470, 474 and 478 Broadhall Avenue,
Jersey City, NJ 07304

Related Capital Company \$1,250,000.00

8. Subsequent Contributions of Limited Partners. Each Limited Partner may (but shall not be obliged to) make such additional contributions to the capital of the Partnership as may from time to time be agreed by the General Partner.

9. Profit Shares of Limited Partners. The share of the profits which each Limited Partner shall receive by reason of his contribution is:

St. Patrick Housing Corporation 60%
Related Capital Company 40%

Signed: July 31, 1997

ST. PATRICK HOUSING CORPORATION

By:


Eugene F. Quinn, President



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS

CHRISTINE TROTT WHITMAN
Governor

FILED

MAR 31 1988

LONNA R. HOOKS
Secretary of State
JANE M. KENNY
Comptroller

DEPARTMENT OF COMMUNITY AFFAIRS

TO: Secretary of State
Re: BRIMSHALL URBAN RENEWAL L.P.
File #63508
an Urban Renewal Entity

This is to certify that the attached AMENDED CERTIFICATE
OF LIMITED PARTNERSHIP OF AN URBAN RENEWAL ENTITY has been
examined and approved by the Department of Community Affairs,
pursuant to the power vested in it under the "Long Term Tax
Exemption Law," N.J. 1981. c.431.

Done this 25th day of May 1988 at Trenton, New
Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

By William M. Connolly
William M. Connolly, Director
Division of Codes and Standards

The attached amended Certificate has been reviewed and
approved as to form.

Attorney General of New Jersey

DATE 3/25/1988 By Cheryl E. Clarke
Cheryl E. Clarke
Deputy Attorney General

#63508

Bureau of Homeowner Protection
PO Box 205, Trenton, New Jersey 08625
Fax 609/530-8058

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Record & Return to: Schiller, Squero & Hartnett
6 Chapel Avenue
Jersey City, New Jersey 07305

AMENDED CERTIFICATE OF LIMITED PARTNERSHIP

OF

BRAMHALL L.P.

TO

BRAMHALL URBAN RENEWAL L.P.

The undersigned, desiring to amend the Certificate of Limited Partnership of Bramhall L.P. filed on August 11, 1997 to conform to the Long Term Tax Exemption Law of 1991 as set forth in Section 40A:20-1 et seq. of the New Jersey Revised Statutes and by virtue of N.J.S.A. 42:2A-1 et seq. (The New Jersey "Uniform Limited Partnership Act of 1978"), do hereby certify:

1. The name of the Partnership shall be changed from Bramhall L.P. to Bramhall Urban Renewal L.P. (hereinafter the "Limited Partnership").
2. The location of the Registered Office of the Partnership shall be 6 Chapel Avenue, Jersey City, New Jersey 07305.
3. The Agent of the Limited Partnership is Schiller, Squero & Hartnett, L.L.C., 6 Chapel Avenue, Jersey City, New Jersey 07305.
4. The purpose for which this Limited Partnership is formed shall be to operate under the Long Term Tax Exemption Law and the New Jersey Limited Partnership Act to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and

moderate income housing projects, and, when authorized by financial agreement with the municipality, to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizens housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to this act.

5. So long as limited Partnership entity is obligated under financial agreement with a municipality made pursuant to this act, it shall engage in no business other than the ownership, operation and management of the project.

6. The entity has been organized to serve a public purpose, and its operations shall be directed toward: (1) the redevelopment or redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under this act; and (3) that it shall be subject to regulation by the municipality in which its project is situated, and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project subject to this act.

7. The limited Partnership shall not voluntarily transfer more than 10% of the ownership of the project or any portion thereof undertaken by it under this act, until it has first removed both itself and the project from all restrictions of this act in the manner required by this act and, if the project includes housing units, has obtained the consent of the Commissioner of Community Affairs to such transfer with the exception of transfer to another urban renewal entity, as approved by the municipality in which the project is situated, which other urban renewal entity shall

assume all contractual obligations of the transferor entity under the financial agreement with the municipality. The entity shall file annually with the municipal governing body a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each.

8. The entity is subject to the provisions of section 1B of P.L. 1991, c. 431 (C. 40A:20-18) respecting the powers of the municipality to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

9. Any housing units constructed or acquired by the entity shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

10. Members and Designation: The names and places of residence of the members, and their designation as General or Limited Partners are:

St. Patrick Housing Corporation,
a New Jersey, Non-Profit Corporation,
6 Chapel Avenue, Jersey City, NJ 07305

General Partner

St. Patrick Housing Corporation,
a New Jersey, Non-Profit Corporation,
6 Chapel Avenue, Jersey City, NJ 07305

Limited Partner

Bramhall-Arlington L.L.C.
a New Jersey, Non-Profit Corporation,
492 Bramhall Avenue, Jersey City, NJ 07305

Limited Partner

11. Term: The term of which the Partnership is to exist is indefinite.

12. Initial Contributions of Limited Partners: The amount of cash and description of the agreed value of other property contributed by each Limited Partner is:

St. Patrick Housing Corporation - property at
452, 456, 470, 474 and 478 Bramhall Avenue,
Jersey City, NJ 07304

13. Subsequent Contributions of Limited Partners. Each Limited Partner may (but shall not be obligated to) make such additional contributions to the capital of the Partnership as may from time to time be agreed by the General Partner.

14. Profit Shares of Limited Partners. The share of the profits which each Limited Partner shall receive by reason of his contribution is:

St. Patrick Housing Corporation	60%
Bramhall Arlington, L.L.C.	40%

St. Patrick Housing Corporation, General Partner

March 10, 1998

By:


EUGENE P. SQUEO, President

Exhibit 5

N/A. RESERVED

Exhibit 6

BRAMHALL URBAN RENEWAL, L.P.														
PROJECTED OPERATING INCOME AND EXPENSE														
Year Ended December 31, 2015 - 2029														
	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	Projected 2018	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
REVENUES:														
RENTAL REVENUE:														
Apartment rent - gross potential	\$ 773,450	\$ 798,553	\$ 820,553	\$ 845,199	\$ 870,524	\$ 896,845	\$ 923,535	\$ 951,245	\$ 979,783	\$ 1,009,176	\$ 1,039,452	\$ 1,070,535	\$ 1,102,764	\$ 1,136,837
VACANCIES:														
Apartments	(38,460)	(38,460)	(38,458)	(38,457)	(38,456)	(38,455)	(38,454)	(38,453)	(38,452)	(38,451)	(38,450)	(38,449)	(38,448)	(38,447)
Net Rental Revenue	734,990	759,194	782,095	806,742	832,068	858,185	885,085	912,793	941,331	970,725	1,001,002	1,032,186	1,064,316	1,097,390
OTHER REVENUE:														
Miscellaneous other income	16,159	16,544	17,143	17,657	18,187	18,733	19,295	19,874	20,470	21,084	21,716	22,368	23,039	23,730
Total Other Revenue	16,159	16,544	17,143	17,657	18,187	18,733	19,295	19,874	20,470	21,084	21,716	22,368	23,039	23,730
Total Revenues	751,149	774,838	799,238	824,400	850,255	876,918	904,380	932,668	961,801	991,809	1,022,718	1,054,554	1,087,355	1,121,120
EXPENSES:														
Administrative expenses	4,613	4,549	4,738	4,532	5,080	5,232	5,389	5,581	5,716	5,899	6,066	6,246	6,435	6,626
Amortization	1,600	1,600	1,543	1,537	1,748	1,801	1,865	1,916	1,961	2,027	2,081	2,169	2,215	2,281
Bad debt expense	12,432	12,784	13,167	13,562	13,953	14,388	14,820	15,265	15,723	16,194	16,680	17,188	17,695	18,227
Communications	8,226	8,467	8,721	8,963	9,262	9,530	9,815	10,110	10,413	10,725	11,048	11,379	11,720	12,072
Depreciation	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247	235,247
Dues and subscriptions	221	228	235	242	249	257	264	272	281	289	298	307	316	325
Insurance	33,643	40,832	42,057	43,319	44,615	45,957	47,335	48,758	50,218	51,726	53,278	54,875	56,521	58,217
Interest	233,219	245,219	255,219	265,219	269,219	269,219	269,219	269,219	269,219	269,219	269,219	269,219	269,219	269,219
Management fees	35,225	36,283	37,371	38,482	39,647	40,837	42,062	43,324	44,623	45,962	47,341	48,761	50,224	51,731
Professional fees	22,185	22,852	23,537	24,243	24,971	25,720	26,491	27,286	28,105	28,946	29,816	30,711	31,632	32,581
Real estate taxes	105,448	114,503	116,516	118,587	121,952	124,584	127,295	130,087	132,962	135,824	138,675	141,518	144,354	147,188
Payroll taxes and employee benefits	22,382	23,063	23,745	24,427	25,191	25,947	26,723	27,527	28,353	29,203	30,079	30,982	31,911	32,869
Repairs and maintenance	123,509	143,738	148,111	152,865	167,131	161,845	166,701	171,702	176,853	182,168	187,523	193,022	198,049	206,021
Salaries	90,484	93,178	95,973	98,852	101,818	104,872	108,019	111,259	114,597	118,035	121,576	125,223	128,980	132,849
Supplies	15,275	15,733	16,205	16,691	17,192	17,708	18,239	18,786	19,350	19,930	20,528	21,144	21,778	22,432
Utilities	270,019	274,119	285,453	295,067	303,998	312,026	322,415	332,088	342,952	352,313	362,882	373,739	384,882	396,531
Violations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	1,245,584	1,241,549	1,274,405	1,297,945	1,322,194	1,347,169	1,372,893	1,399,389	1,426,586	1,454,730	1,483,743	1,513,554	1,544,280	1,575,918
NET LOSS	(484,525)	(466,711)	(475,167)	(473,577)	(471,938)	(470,251)	(468,513)	(466,723)	(464,879)	(462,931)	(461,025)	(459,019)	(458,535)	(454,790)
PARTNERS' DEFICIENCY:														
Beginning of year	(1,878,804)	(2,373,339)	(2,840,061)	(3,315,210)	(3,798,784)	(4,280,733)	(4,730,854)	(5,199,487)	(5,688,220)	(6,131,059)	(6,594,080)	(7,055,105)	(7,514,118)	(7,971,050)
End of year	\$ (2,373,339)	\$ (2,840,061)	\$ (3,315,210)	\$ (3,798,784)	\$ (4,280,733)	\$ (4,730,854)	\$ (5,199,487)	\$ (5,688,220)	\$ (6,131,059)	\$ (6,594,080)	\$ (7,055,105)	\$ (7,514,118)	\$ (7,971,050)	\$ (8,426,847)
NOTES:														
1 PILOT calculation is 15% of annual gross income less utilities														
Annual gross income less utilities	\$ 496,713	\$ 512,778	\$ 529,315	\$ 548,347	\$ 563,982	\$ 581,954	\$ 600,577	\$ 619,749	\$ 639,495	\$ 659,826	\$ 680,786	\$ 702,363	\$ 724,588	
PILOT Cost 15% of Adjusted Income	\$ 74,509	\$ 76,916	\$ 79,397	\$ 81,952	\$ 84,584	\$ 87,295	\$ 90,087	\$ 92,962	\$ 95,924	\$ 98,978	\$ 102,118	\$ 105,354	\$ 108,688	
2 Vacancies is a 5 year average (2012-2015) \$230,757= \$38,460														
3 Annual income and expense increase is 3%														

Exhibit 7

SEE EXHIBIT 6

Exhibit 8

N/A. RESERVED

Exhibit 9

N/A. RESERVED

Exhibit 10

Deed

This Deed is made on August 14, 1997

BETWEEN

Shefa Realty and Development Corp.

a corporation of the state of New Jersey

having its principal office at c/o: Shefa Realty, 1274-49th Street, Brooklyn, New York

referred to as the Grantor,

AND

Bramhall, L.P., a New Jersey Limited Partnership

whose post office address is c/o: Schiller, Squeo & Hartnett, L.L.C., Port Liberta,
6 Chapel Avenue, Jersey City, New Jersey

referred to as the Grantee.

The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

1. **Transfer of Ownership.** The Grantor grants and conveys (transfers ownership of) the property (called the "Property") described below to the Grantee. This transfer is made for the sum of **NINE HUNDRED AND EIGHTY-FIVE THOUSAND (\$985,000.00) DOLLARS**.
The Grantor acknowledges receipt of this money.

2. **Tax Map Reference.** (N.J.S.A. 46:15-1.1) Municipality of Jersey City
Block No. 1949 Lot No. 4L, 4M and 4N Account No.
☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

3. **Property.** The Property consists of the land and all the buildings and structures on the land in
the City of Jersey City
County of Hudson and State of New Jersey. The legal description is:

☒ Please see attached Legal Description annexed hereto and made a part hereof (check box if applicable).

Prepared by: (Print signer's name below signature)

Matthew Burns

Matthew Burns, Esq.

(For Recorder's Use Only)



The street address of the Property is: 462-464 Bramhall Avenue, 474-476 Bramhall Avenue and 478-480 Bramhall Avenue, Jersey City, New Jersey

4. **Promise by Grantor.** The Grantor promises that the Grantor has done no act to encumber the Property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

5. **Signatures.** This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed. (Print name below each signature).

Witnessed or Attested by:

Shefa Realty and Development Corp.

Joseph Tyrnauer
Joseph Tyrnauer Secretary

By: Aron Tyrnauer
Aron Tyrnauer President

STATE OF NEW JERSEY, COUNTY OF HUDSON
I CERTIFY that on August 1, 1997

SS.:

Aron Tyrnauer

personally came before me and stated to my satisfaction that this person (or if more than one, each person):

(a) was the maker of the attached Deed;

(b) was authorized to and did execute this Deed as President

of Shefa Realty and Development Corp. the entity named in this Deed;

(c) made this Deed for \$ 985,000.00 as the full and actual consideration paid or to be paid for the transfer of title. (Such consideration is defined in N.J.S.A. 46:15-5.); and

(d) executed this Deed as the act of the entity.

RECORD AND RETURN TO:

Schiller, Squeo & Hartnett, L.L.C.
Port Liberte
5 Chapel Avenue
Jersey City, New Jersey 07305

Matthew Black
(Print name and title below signature)

Matthew Black
Attorney at Law
New Jersey



STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION OR EXEMPTION
(c. 49, P.L. 1968)
OR
PARTIAL EXEMPTION
(c. 176, P.L. 1975)

ALL-STATE LEGAL
A Division of All-state International, Inc.
800-222-0810 In NJ 800-272-0800

D O R Y R . 1

To Be Recorded With Deed Pursuant to c. 49, P.L. 1968, as amended by c. 225, P.L. 1985 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY

COUNTY OF HUDSON

FOR RECORDER'S USE ONLY

Consideration \$

Realty Transfer Fee \$

Date By

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side)

Deponent, Aron Tyrnauer, President of Shefa Realty and Development Corp.
(Name) being duly sworn according to law upon his oath deposes and

says that he/she is the Grantor

(State whether Director, Officer, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)

in a deed dated August 14, 1997, transferring real property identified as Block No. 1949

Lot No. 41, 4M and 4N located at 462-464 Bramhall Avenue, 474-476 Bramhall Avenue
(Street Address, Municipality, County)
and 478-480 Bramhall Avenue, Jersey City, New Jersey and annexed hereto.

(2) CONSIDERATION (See Instruction #6)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is \$ 985,000.00

(3) FULL EXEMPTION FROM FEE

Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by c. 49, P.L. 1968, for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.

(4) PARTIAL EXEMPTION FROM FEE

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. (See Instructions #8 and #9)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by c. 176, P.L. 1975 for the following reason(s):

a) SENIOR CITIZEN (See Instruction #8)

- ☐ Grantor(s) 62 yrs. of age or over.*
☐ One or two-family residential premises

- ☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.

b) BLIND (See Instruction #8)

- ☐ Grantor(s) legally blind.*
☐ One or two-family residential premises.

- ☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.

DISABLED (See Instruction #8)

- ☐ Grantor(s) permanently and totally disabled.*
☐ One or two-family residential premises.
☐ Receiving disability payments.

- ☐ Owned and occupied by grantor(s) at time of sale.
☐ Not gainfully employed.
☐ No joint owners other than spouse or other qualified exempt owners.

*IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY.

c) LOW AND MODERATE INCOME HOUSING (See Instruction #8)

- ☒ Affordable According to H.U.D. Standards.
☐ Meets Income Requirements of Region.

- ☐ Reserved for Occupancy.
☐ Subject to Rent Controls.

d) NEW CONSTRUCTION (See Instruction #9)

- ☐ Entirely new improvement.
☐ Not previously used for any purpose.

- ☐ Not previously occupied.

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of c. 49, P.L. 1968.

Subscribed and Sworn to before me

this 14th

day of August, 1997

Matthew Blum

Attorney at Law

Wend Jones

Shefa Realty Development Corp. Shefa Realty Development Corp.

By: Aron Tyrnauer, President

1274-49th Street

Brooklyn, New York

Signature of Deponent

Signature of Director or Title Co. Officer

FOR OFFICIAL USE ONLY This space for use of County Clerk or Register of Deeds.

Instrument Number _____, County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF.
This form is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered or amended without the approval of the Director.
ORIGINAL - White copy to be retained by County.
DUPLICATE - Yellow copy to be forwarded by County to Division of Taxation on partial exemption from fee (N.J.A.C. 19:16--8.12).
TRIPLICATE - Pink copy is your file copy.

WHITE AND YELLOW COPIES MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICE

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City County of Hudson State of New Jersey;

TRACT ONE:

BEGINNING at a point in the northeasterly line of Bramhall Avenue, distant 172.72 feet, northwesterly from the corner formed by the intersection of the said northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue; and from said point running

- 1) northeasterly 112.43 feet to a point, which point is distant northwesterly 150.41 feet from the northwesterly side of Arlington Avenue; and thence returning to the point or place of beginning, and from said point running thence
- 2) Northwesterly along the said northeasterly line of Bramhall Avenue 56 feet to a point; thence
- 3) Northeasterly and parallel with the first course 112.90 feet to a point; and thence
- 4) Southeasterly 56 feet to the end of the first course run.

BEGINNING at a point distant 112.43 feet northeasterly from the northeasterly line of Bramhall Avenue, which point of beginning is also distant 150.41 feet northwesterly from the northwesterly line of Arlington Avenue, and which point of beginning is also the northeast corner of the tract conveyed by the Highland Avenue Construction Co., a Corporation of New Jersey, to the Hud-Bar Realities, a Corporation of New Jersey, by Deed dated April 14, 1931 and recorded on April 16, 1931, in Book 1764 of deeds for Hudson County, on Page 281; thence running

- 1) Northeasterly 40 feet to a point; which point is distant 142.41 feet northwesterly from the northwesterly line of Arlington Avenue; thence running
- 2) Northwesterly at right angles, or nearly so, to the first course 56 feet to a point, which point is distant 152.90 feet northeasterly from the northeasterly line of Bramhall Avenue; thence
- 3) Southwesterly 40 feet to a point; which point is the northwest corner of the tract conveyed to the Hud-Bar Realities, a Corporation of the New Jersey, by Deed dated April 14th 1931 as aforesaid, which point is also distant 122.90 feet northeasterly from the northeasterly line of Bramhall Avenue; and thence
- 4) Southwesterly along the rear line of premises conveyed to Hud-Bar Realities, a Corporation of New Jersey by Deed Dated April 14, 1931 as aforesaid, 56 feet to the point or place of BEGINNING.

TRACT TWO:

(Continued)

BEGINNING at the corner formed by the intersection of the northwesterly side of Arlington Avenue with the northeasterly side of Bramhall Avenue; and from said point running

- 1) Northwesterly along the said northeasterly line of Bramhall Avenue 60.97 feet to a point; thence
- 2) Northeasterly and at right angles to Bramhall Avenue 111.49 feet to a point; thence
- 3) Southeasterly parallel with Bramhall Avenue 38.66 feet to the said northwesterly side of Arlington Avenue; and thence
- 4) Southwesterly along the said northwesterly side of Arlington Avenue 113.53 feet to the point or place of BEGINNING.

TRACT THREE:

BEGINNING at a point in the northeasterly line of Bramhall Avenue, distant northwesterly 228.72 feet from the corner formed by the intersection of the said northeasterly line of Bramhall Avenue with the northwesterly line of Arlington Avenue and from said point running

- 1) Northeasterly 112.90 feet to a point, which point is distant northwesterly 205.41 feet from the said northwesterly side of Arlington Avenue and thence returning to the point or place of beginning, and from said point; running thence
- 2) Northwesterly along the said northeasterly line of Bramhall Avenue 58.80 feet to a point; thence
- 3) Northeasterly and parallel with the first course run 113.37 feet to a point; thence
- 4) Southeasterly 55.80 feet to the end of the first course run.

BEGINNING at a point distant 112.90 feet northeasterly from the northeasterly line of Bramhall Avenue, which point of beginning is also distant 205.41 feet northwesterly from the northwesterly line of Arlington Avenue, which point of beginning is also the northeast corner of a tract conveyed by William V.

(Continued)

O'Driscoll, Sheriff of Hudson County to Highland Avenue Construction Co., a Corporation of New Jersey, by Deed dated February 6, 1930 and recorded on February 8, 1930 in Book 1734 of Deeds for Hudson County on Page 330; thence running

1) Northeasterly 40 feet to a point which point is distant 193.41 feet northwesterly from the northwesterly line of Arlington Avenue; thence running

2) Northwesterly at right angles or nearly so to the first course 55.00 feet to a point, which point is distant 153.37 feet northeasterly from the north easterly line of Bramhall Avenue; thence running

3) Southwesterly 40 feet to a point, which point is the northwest corner of the tract conveyed to the Highland Avenue Construction Co., a Corporation of New Jersey, by Deed dated February 6, 1930, as aforesaid, which point is also distant 113.37 feet northeasterly from the northeasterly line of Bramhall Avenue; and thence running

4) Southeasterly along the rear of premises conveyed to the Highland Avenue Construction Co., a Corporation of New Jersey, by Deed dated February 6, 1930, as aforesaid 55.80 feet to the point or place of BEGINNING.

City Clerk File No. Ord. 16.116
Agenda No. 3.F 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.116

TITLE:

ORDINANCE APPROVING A 25 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, Vaishno MA Summit Urban Renewal, LLC (Entity), is an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

WHEREAS, the Entity is owner of certain property known as Block.12301, Lot 2, on the City's Official Tax map, more commonly known by the street address of 362 Summit Avenue, and more specifically described by metes and bounds in the application [Property]; and

WHEREAS, the Property is located within the Journal Square 2060 Redevelopment Plan Area as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

WHEREAS, the Project received a site plan approval from the Planning Board on September 15, 2015; and

WHEREAS, by an application dated December 9, 2015, as amended by a letter dated June 30, 2016, the Entity has requested a twenty-five (25) year-long term tax exemption for a six (6) story mixed-use Project to contain approximately sixty-nine (69) market-rate residential rental units, 1,740 square feet of retail/commercial space and eighteen (18) parking spaces; and

WHEREAS, the Property is located within Tier IV of the Jersey City Tax Abatement Policy Map; and Tier IV allows tax abatements for a period of up to thirty (30) years; and

WHEREAS, the Entity has requested a term of the earlier of thirty (30) years from the effective date of the Ordinance approving the abatement, or twenty-five (25) years from the date that the Project is deemed substantially complete; and

WHEREAS, the Entity proposes an Annual Service Charge based upon eleven (11%) percent of Gross Revenue; in addition, the Applicant would pay an annual fee to Hudson County based upon five (5%) percent of the Annual Service Charge, and an administrative fee to the City of two (2%) percent of the Annual Service Charge; and

WHEREAS, Vaishno MA Summit Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge as defined in the Financial Agreement; or (ii) 11% of Annual Gross Revenue each year, which sum is estimated to be \$177,870, and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 2% of each prior year's Annual Service Charge as an Administrative Fee or \$3,557; and

ORDINANCE APPROVING A 25 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

3. provide employment and other economic opportunities for City residents and businesses;
4. pay to City for remittance to Hudson County, an amount equal to 5% of the Annual Service Charge upon receipt of that charge or \$8,894; and
5. provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$114,764. This payment is nonrefundable and nontransferable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term.

WHEREAS, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. the current real estate taxes generate revenue of only \$17,860, whereas, the Annual Service Charge as estimated, will generate revenue of more than \$177,870 to the City and an additional sum of approximately \$8,894 to Hudson County;
2. it is expected that the Project will create approximately fifteen (15) jobs during construction and three (3) new permanent jobs after construction;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Journal Square 2060 Redevelopment Plan area;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

WHEREAS, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract purchasers to the Project and insure the likelihood of the success of the Project; and

WHEREAS, Vaishno MA Summit Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

- A. The application of Vaishno MA Summit Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 12301, Lot 2, more commonly known by the street address of 362 Summit Avenue, more specifically described by metes and bounds in the application, is hereby approved.
- B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement and a Project Employment & Contracting Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:

ORDINANCE APPROVING A 25 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

1. Term: the earlier of 30 years from the adoption of the within Ordinance or 25 years from the date the project is Substantially Complete;
2. Annual Service Charge: each year the greater of:
 - (a) the Minimum Annual Service Charge equal to \$17,860 upon Project Completion, whether or not the Project is occupied; or
 - (b) 11% of Annual Gross Revenue, estimated at \$177,870, which shall be subject to statutory increases during the term of the tax exemption.
3. Administrative Fee: 2% of the prior year's Annual Service Charge or \$3,557;
4. County Payment: an additional 5% of the Annual Service Charge for remittance by the City to Hudson County or \$8,894;
6. Affordable Housing Trust Fund: \$1,500 per unit or \$103,500; \$1.50 per square foot x 1,740 square feet of commercial space or \$2,610; and \$1.50 per square foot x 5,769 square feet of parking space or \$8,654, for a total of \$114,764. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement;
7. Staged Adjustments:
 - (a) Stage One: years 1-9;
 - (b) Stage Two: years 10-13;
 - (c) Stage Three: years 14-17;
 - (d) Stage Four: years 18-21;
 - (e) Final Stage: Beginning on the 1st day of the 22nd year through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due.
8. Project Employment & Contracting Agreement: an obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses.
9. Project Labor Agreement: Entity certified that its construction costs are less than \$25 million. In the event a construction cost audit or report indicates construction costs of more than \$25 million, then the Entity shall execute a Project Labor Agreement and be required to pay the damages as set forth in Section 304-37(3) of the Municipal Code.
10. The initial installment of the Affordable Housing Trust Fund contribution payment shall be due on execution of the Financial Agreement, but in no event later than 90 days of the adoption of the ordinance. Interest shall accrue on such payments as of the 91st day at the same rate as the City charges for unpaid real estate taxes.
11. The actual date of execution of the tax exemption agreement shall not affect, alter or amend the Entity's obligation to make payments according to the intervals set forth in Section 304-28 of the Municipal Code and the tax exemption agreement. Should the Entity fail to make timely payments, interest shall begin to accrue at the rate set forth in the financial agreement.

ORDINANCE APPROVING A 25 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

12. The Financial Agreement shall be executed by the Entity no later than 90 days following adoption of the within Ordinance. Failure to comply shall result in a repeal of the herein Ordinance and the tax exemption will be voided.
 13. The Ordinance will be rescinded if the closing of the sale of the property and transfer of title from the seller to the Entity does not take place within ninety (90) days of the date of adoption of the herein Ordinance, unless otherwise extended by the City.
 14. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.
- C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Chief Financial Officer of the county and to the County Counsel, for information purposes, within ten (10) calendar days following the later of the effective date of an ordinance following its final adoption by the governing body approving the tax exemption or the execution of the financial agreement by the urban renewal entity.
- D. The application, as amended, is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.
- E. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- F. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- G. This ordinance shall take effect at the time and in the manner provided by law.
- H. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JM/he
7/6/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

DATE: June 23, 2016

TO: Joanne Monahan (For distribution to City Council and City Clerk)

FROM: Al Cameron, Fiscal Officer - Tax Collector's Office

SUBJECT: TWENTY-FIVE YEAR TAX ABATEMENT: MARKET RATE MIXED USE
RENTAL PROJECT – VAISHNO MA SUMMIT URBAN RENEWAL, LLC
362 SUMMIT AVENUE - Block 12301 Lot 2

CC: M. Cosgrove, E. Borja, E. Toloza, M. Vigil, R. Kakoleski, R. Lavarro, G. Corrado, P. Leandre

INTRODUCTION:

The applicant, – Vaishno Ma Urban Renewal, LLC, is applying for a twenty-five (25) year tax abatement pursuant to N.J.S.A. 40 A: 20-1 et seq. It will be a six (6) story market rate mixed use rental project within the Journal Square 2060 Redevelopment Plan area. The proposed project at Block 12301 – Lot 2 is located in Tier IV on the Jersey City Tax Exemption Policy Map. The application fee of \$9,500 was paid.

LOCATION OF THE PROPERTY:

The property know as, 362 Summit Avenue, is at the corner Summit Avenue and Academy Street with a small portion at Rock Street.

PROPERTY TO BE CONSTRUCTED:

The proposed project will be a six (6) story building with Sixty-nine (69) market rate residential units and 1,740 square feet of retail/commercial space. Eighteen (18) parking spaces will be provided. The residential units are as follows:

<u>Unit Type</u>	<u>Number of Units</u>
Studio	20
One Bedroom	32
Two Bedroom	15
Three Bedroom	2

ESTIMATED TOTAL CONSTRUCTION COST:

The cost of construction estimated at \$10,724,200 is certified by Eli Martin, the applicant's architect. Estimated cost of materials is \$4,205,838. Estimated cost of labor is \$6,578,362.

Total Project Cost is projected at \$13,358,410.

Vaishno Ma UR LLC MKT Rate Rental 25-Yr Sum
6/23/2016 2:55 PM

CONSTRUCTION SCHEDULE:

The applicant expects to begin construction as soon as all approvals are received. Completion is expected within eighteen (18) months of commencement.

ESTIMATED JOBS CREATED:

The applicant estimates creation of fifteen (15) jobs during Construction and approximately three (3) permanent jobs after construction. The applicant will execute a Project Employment and Contracting Agreement. However; based upon the estimated construction cost, a Project Labor Agreement is not required.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

Vaishno Ma Summit Urban Renewal,
LLC

		Rate	Amount
Residential Units	69	\$1,500.00	\$103,500.00
Square footage Commercial Space	1,740	\$1.50	\$2,610.00
Square footage Parking Garage	5,769	\$1.50	\$8,653.50
		Total AHTF Payment	<u>\$114,763.50</u>

CURRENT REAL ESTATE TAX:

The assessment for the land is \$580,200. At the current tax rate of \$74.82 the estimated annual tax for the land is \$43,411.

The new assessment for the proposed improvements it is \$2,726,000. All taxes are current.

PROPOSED ABATEMENT:

The property is in Tier IV of the Jersey City Tiered Tax Exemption Policy Map. The applicant has requested a term of the lesser of thirty-five (35) years from the date of approval of an ordinance approving the abatement or thirty (30) years from substantial completion of the project.

The proposed Annual Service Charge is eleven percent (11%) of Annual Gross Revenue. An additional two percent (2%) City administrative fee and a five percent (5%) service charge to Hudson County will be charged annually.

STAGED ADJUSTMENTS:

Beginning the first day of year seven (7) through the end of year ten (10) it would be the greater of the annual service charge or twenty percent (20%) of conventional taxes otherwise due.

Beginning the first day of year eleven (11) through the end of year fourteen (14) it would be the greater of the annual service charge or forty percent (40%) of conventional taxes otherwise due.

Beginning the first day of year fifteen (15) through the end of year twenty (20) it would be the greater of the annual service charge or sixty percent (60%) of conventional taxes otherwise due.

Beginning in year twenty-one (21) through the end of year twenty-five (25) it would be the greater of the annual service charge or eighty percent (80%) of conventional taxes otherwise due.

Beginning in year twenty-six (26) the project would pay full conventional taxes.

PROPOSED REVENUE TO THE CITY:

At full occupancy the Applicant's good faith estimated initial annual revenue is \$1,617,000.

The Annual Service Charge at the rate of eleven percent (11%) is \$177,870. The City Administrative fee at two percent (2%) is \$3,557.40 and the Hudson County fee of five percent (5%) is \$8,893.50.

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - 25 YEAR)

Block: 12301 Lot: 2 Loc: 362 SUMMIT AVE

Market Rate Rental Units		Demographic Multipliers (Transit Oriented Development)**				Annual Expenditures		Total Annual Expenditures		
Planned Development	Number of Units	Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
Studio	20	1.000	0.000	20.00	0.00	\$1,181.83	\$3,445.00	\$23,636.58	\$0.00	\$23,636.58
1 Bedroom	32	1.421	0.050	45.47	1.60	\$1,181.83	\$3,445.00	\$53,740.12	\$5,512.00	\$59,252.12
2 Bedroom	15	2.012	0.120	30.18	1.80	\$1,181.83	\$3,445.00	\$35,667.59	\$6,201.00	\$41,868.59
3 Bedroom	2	2.798	0.560	5.60	1.12	\$1,181.83	\$3,445.00	\$6,613.51	\$3,858.40	\$10,471.91
TOTAL	69			101.25	4.52			\$119,657.80	\$15,571.40	\$135,229.20

1. Total Municipal Ratables	\$5,997,768,597	4. CY 2015 Budget	\$535,307,187	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 135,229.20
2. Residential Ratables	\$3,278,586,056			7. Per Capita Municipal Cost		10. Anticipated Gross PILOT (1st Year)	
Commercial Ratables	\$1,512,274,524				\$1,181.83	11% AGR	\$ 177,870.00
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271	8. Annual Expenditures Per Student**	\$3,445.00	2% Admin	\$ 3,557.40
						Less Land Tax (74.82)	\$ (43,410.56)
						11. 1st Year Net PILOT	\$ 138,016.84
						12. Implied Surplus (Cost)	\$ 2,787.64

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs

New Assessments
Land 580,200
Bldg 2,726,000

*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

**Source: 2014-2015 Jersey City Municipal Cost Per Pupil

SERVICE CHARGE VS CONVENTIONAL

362 SUMMIT AVE

*ASSUMING 74.82 TAX RATE WITH 2% ANNUAL INCREASE

NEW ASSESSMENTS BASED ON TAX ASSESSOR ANALYSIS

LAND	580,200	COUNTY	5%	EXISTING ASSESSMENT	238,700
BLDG	2,726,000	ADMIN	2%	PROJECTED REVENUE (1ST YEAR)	1,617,000
TOTAL	3,306,200			PROJECTED SERVICE CHARGE	177,870

YEAR	ASC w/ Phase-In Less Land Tax Credit	RATE	ASC w/ 2% Annual Increase	ASC w/ 2% Annual Increase & Phase-In	County	Admin	Estimated Conventional Taxes On New Assessment	Staged Adj Rate	% of Conv.	Conventional Taxes at 51% (Estimated)	Current Taxes On Existing Assessment	Land Tax
1	134,459	11%	177,870	177,870	8,894	3,557	247,370			126,159	17,860	43,411
2	137,149	11%	181,427	181,427	9,071	3,629	252,317			128,682	18,217	44,279
3	139,892	11%	185,056	185,056	9,253	3,701	257,364			131,255	18,581	45,164
4	142,689	11%	188,757	188,757	9,438	3,775	262,511			133,881	18,953	46,068
5	145,543	11%	192,532	192,532	9,627	3,851	267,761			136,558	19,332	46,989
6	148,454	11%	196,383	196,383	9,819	3,928	273,116			139,289	19,718	47,929
7	151,423	11%	200,311	200,311	10,016	4,006	278,579	20%	55,716	142,075	20,113	48,887
8	154,452	11%	204,317	204,317	10,216	4,086	284,150	20%	56,830	144,917	20,515	49,865
9	157,541	11%	208,403	208,403	10,420	4,168	289,833	20%	57,967	147,815	20,925	50,862
10	160,691	11%	212,571	212,571	10,629	4,251	295,630	20%	59,126	150,771	21,344	51,880
11	163,905	11%	216,823	216,823	10,841	4,336	301,543	20%	60,309	153,787	21,771	52,917
12	167,183	11%	221,159	221,159	11,058	4,423	307,573	40%	123,029	156,862	22,206	53,976
13	170,527	11%	225,582	225,582	11,279	4,512	313,725	40%	125,490	160,000	22,650	55,055
14	173,938	11%	230,094	230,094	11,505	4,602	319,999	40%	128,000	163,200	23,103	56,156
15	177,416	11%	234,696	234,696	11,735	4,694	326,399	60%	195,840	166,464	23,565	57,279
16	180,965	11%	239,390	239,390	11,969	4,788	332,927	60%	199,756	169,793	24,037	58,425
17	184,584	11%	244,177	244,177	12,209	4,884	339,586	60%	203,752	173,189	24,517	59,593
18	188,276	11%	249,061	249,061	12,453	4,981	346,378	60%	207,827	176,653	25,008	60,785
19	192,041	11%	254,042	254,042	12,702	5,081	353,305	60%	211,983	180,186	25,508	62,001
20	225,056	11%	259,123	288,297	14,415	5,766	360,371	80%	288,297	183,789	26,018	63,241
21	229,557	11%	264,305	294,063	14,703	5,881	367,579	80%	294,063	187,465	26,538	64,506
22	234,148	11%	269,592	299,944	14,997	5,999	374,930	80%	299,944	191,214	27,069	65,796
23	238,831	11%	274,983	305,943	15,297	6,119	382,429	80%	305,943	195,039	27,610	67,112
24	243,608	11%	280,483	312,062	15,603	6,241	390,077	80%	312,062	198,939	28,163	68,454
25	248,480	11%	286,093	318,303	15,915	6,366	397,879	80%	318,303	202,918	28,726	69,823

TOTAL	4,490,809	5,697,229	5,881,262	294,063	117,625	7,923,332	3,504,235	4,040,899	572,046	1,390,453
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ASC phase-in reflects annual 2% increase in conventional taxes AND Gross Rents
 Projected figures subject to rounding discrepancies

**VAISHNO MA SUMMIT, LLC
BLOCK 12301 Lot 2
362 Summit Avenue**

Block	Lot		Existing	New Assessments	Good Faith ASC	Bldg. Assmt (Phased-In)
12301	2	Land	238,700	580,200		
		Bldg	-	2,726,000	177,870	2,726,000
		Total	238,700	3,306,200	177,870	2,726,000

**Est. In-Lieu of Full Conventional Property Tax, An Amount Equal
To A Percentage Of Taxes Otherwise Due On Improvement
According To The Following Schedule;**

Stages			Annual Taxes (Bldg)
1	From the 1st day of the month following substantial completion until the last day of the 6th year, the ASC shall be at 11% ;	\$ 177,870	0
2	Beginning on the 1st day of the 7th year and the last day of the 10th year of substantial completion, an amount equal to the greater of the ASC at 11% or 20% of the amount of taxes otherwise due;	\$ 177,870	\$ 40,792
3	Beginning on the 1st day of the 11th year and the last day of the 14th year of substantial completion, an amount equal to the greater of the ASC at 11% or 40% of the mount of taxes otherwise due;	\$ 177,870	\$ 81,584
4	Beginning on the 1st day of the 15th year and the last day of the 20st year of substantial completion, an amount equal to the greater of the ASC at 11% or 60% of the amount of taxes otherwise due;	\$ 177,870	\$ 122,376
5	Beginning on the 1st day of the 21st year and the last day of the 25th year of substantial completion, an amount equal to the greater of the ASC at 11% or 80% of the amount of taxes otherwise due;	\$ 177,870	\$ 163,167
	Annual Taxes on Improvement at Expiration		203,905

6/22/2016

Re: 362 Summit Avenue
Approximately _____ Acres
Block 12301, Lot 2
Journal Square 2060 Redevelopment Plan

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the ____ day of _____, 2016, by and between **VAISHNO MA SUMMIT URBAN RENEWAL, LLC**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 2449 Kennedy Boulevard, Jersey City, NJ 07304 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Owner pursuant to Deed dated April 6, 2015, of certain property designated as Block 12301, Lot 2, more commonly known by the street address of 362 Summit Avenue, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of the Journal Square 2060 Redevelopment Plan Area; and

WHEREAS, the Entity plans to construct a six (6) story mixed-use building to contain approximately sixty-nine (69) market rate residential rental units, approximately 1,740 square feet of commercial/retail space, and approximately eighteen (18) parking spaces [Project]; and

WHEREAS, on September 15, 2015 the Project received site plan approval from the Planning Board; and

WHEREAS, on December 9, 2015, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2016, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only \$17,860, whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$177,870;
2. as required by ordinance 13-088, the Entity shall pay the City the sum of \$38,255 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$76,509 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately 15 new construction jobs and 3 new permanent full time jobs;
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
5. the Project will further the objectives of the Journal Square 2060 Redevelopment Plan, and will include the development of vacant property;
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and
3. have a positive impact on the surrounding area.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2015-007, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying, on a non-accrual basis, the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.
- iii. Annual Gross Revenue - Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal

and insurance charges, whether paid for by the landlord, tenant or a third party;

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include an annual payment for all annual excess profit.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual non-accrued Net Profit and annual Excess Profit due to the City, if any. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of this Agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Vaishno MA Summit Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 15-007, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be (a) until Substantial Completion the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which amount the parties agree is \$17,860; and (b) upon Substantial Completion, the sum of \$177,870 per year, which sum is equal to the estimated Annual Service Charge.

Following Substantial Completion, the Minimum Annual Service Charge set forth in subsection (b) shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A.

40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xix. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xx. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be excluded from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. If the Service Charge is a

percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 12301, Lot 2, more commonly known by the street address 362 Summit Avenue, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a six (6) story mixed-use building to contain approximately sixty-nine (69) market rate residential rental units, approximately 1,740 square feet of commercial/retail space, and approximately eighteen (18) parking spaces; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.7 Good Faith Estimate of Initial Rents

The Entity represents that its good faith projections of the initial [sale prices or rents] and other revenue to the Project are set forth in Exhibit 7.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 30 years from the date of the adoption of Ordinance _____ on _____, 2016, which approved the tax exemption or 25 years from the original date of Substantial Completion of the Project. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

- i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 11% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.
- ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.
- iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due

beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b) shall be due upon Substantial Completion of the Project. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 9th year, the Annual Service Charge shall be 11% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 10th year following Substantial Completion until the last day of the 13th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 14th year following the Substantial Completion until the last day of the 17th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 18th year following Substantial Completion until the last day of the 21st year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

v. Final Stage: Beginning on the 1st day of the 22nd year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

The Entity is required to pay both the Annual Service Charge and the Land Tax

Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as one (2%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution.** The Entity will pay the City the sum of \$114,764 or \$1,500 x 69 units; \$1.50 x 1,740 square feet of commercial space; and \$1.50 x 5,769 square feet of parking space as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax

- exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and
 - iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Excess Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement (Projects with construction costs exceeding \$25 million)

If the construction costs exceed \$25 million, then the Entity must execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code. The Entity asserts that the construction costs will not exceed \$25 million and therefore a Project Labor Agreement (PLA) is not required. Notwithstanding construction costs under \$25 million, the Entity must comply with Chapter 304-34(C) of the Municipal Code and provide certification of its construction costs. In the event that the construction costs do exceed the \$25 million threshold, the entity shall be required to pay the damages as set forth in Chapter 304-37(3) of the Municipal Code.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all

Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

Section 6.3 Construction Permits

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year,

the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a

limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and

the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2015-007, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status.

The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have thirty (30) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such thirty (30) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge,

Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January

1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance

with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by

certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

Vaishno MA Summit Urban Renewal, LLC
2449 Kennedy Boulevard
Jersey City, NJ 07304
Attn:

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the

City.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial [Rents or Sales Prices];
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

**VAISHNO MA SUMMIT
URBAN RENEWAL, LLC**

ATTEST:

CITY OF JERSEY CITY

**ROBERT BYRNE
CITY CLERK**

**ROBERT KAKOLESKI
BUSINESS ADMINISTRATOR**

New & Revised as of February, 2016

(Including Construction Jobs, for Projects with no PLA)

To accord with new Chapter 304 (Croson), only pages 1 through 7 have been amended.

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2016, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **VAISHNO MA SUMMIT URBAN RENEWAL, LLC** [Recipient], having its principal office at 2449 Kennedy Boulevard, Jersey City, NJ 07304.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration, who is in charge of overseeing compliance of Project Employment & Contracting Agreements. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may incorporate referrals from JCEPT or its One-Stop Career Center if the City's agreement with JCEPT so provides.
14. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
15. The "Receipt's Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive also referred to as a developer.
17. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Exhibit A. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Exhibit B.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance ____; approving the tax exemption and terminate the earlier of 30 years from the date of the adoption of that Ordinance or 25 years from the date of Substantial Completion of the Project.

V. Required Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the

Recipient shall be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. The goals are as follows:

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing twenty (20%) percent of labor hours who are Minorities and who are women.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding ten (10%) percent of the dollar amount of its contracts to Minority or Women Owned Businesses.

VI. Construction Jobs Procedure:

1. **Construction Jobs:** Recipient shall comply with all of the following conditions:

A. Initial Contracting Report

- i) The Recipient shall submit the initial contracting report. A letter must be forwarded with requests for quotation or bid to the Office of Diversity and Inclusion for minority contractors or vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Exhibit C.
- ii) The Recipient shall contact those businesses to submit bids. An example of this letter can be found in Exhibit D.

B. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, the Recipient shall obtain from all Contractors/Subcontractors an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked, including a list of the number of minority residents and women that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Exhibit ____ is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept the Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Exhibit ____.

C. Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Exhibit _____.

D. Monthly Reports:

Manning Report (after construction commences)

- i) The Recipient will submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain all records supporting the reported work hours of its Contractors or Subcontractors.

Certified Payroll Report

- i) The Recipient will furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Exhibit _____.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

E. Annual Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will submit copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit and annually thereafter.

F. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

G. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

H. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Exhibit _____.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Permanent Jobs Procedures:

1. **Permanent Jobs:** Recipient shall comply with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment

& Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. Good Faith Defined. Business Contracts

A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
 - g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.

- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

- 1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
- 2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
- 3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
- 4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

- 1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal

to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.

- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

Vaishno MA Summit Urban Renewal, LLC
2449 Kennedy Boulevard
Jersey City, NJ 07304
Attn:

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

VAISHNO MA SUMMIT
URBAN RENEWAL, LLC

Secretary

President